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FBIS-EAS-93-027 CONTENTS *11 February 1993*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-ASIAN AFFAIRS

Northeast Asian Environment Meeting Sets Priorities *[YONHAP]* ... 1

NORTHEAST ASIA

Japan

EC Asks Tokyo To Advance Summit Schedule *[KYODO]* ... 2
Tokyo Said To Support Proposal for G-7 Meetings *[KYODO]* ... 2
U.S. Signals Tokyo 'Must Boost' Imports *[KYODO]* ... 2
Watanabe Leaves for U.S. To Meet Leaders *[KYODO]* ... 3
    Plans To Discuss Economic Issues *[KYODO]* ... 3
Car Dumping Suit Decision Pleases Automakers *[KYODO]* ... 4
Matsunaga Expresses Concern Over Steel Duties *[KYODO]* ... 4
USMC Exercise on Okinawa Raises Concerns *[OKINAWA TIMES 9 Feb]* ... 4
Russian-Japanese Club Helps Ethnic Minorities *[KYODO]* ... 5
Eight Chinese Arrested for Immigration Violations *[KYODO]* ... 5
MSA Discovers Boat With Vietnamese 'Refugees' *[KYODO]* ... 5
Tokyo, Ankara Exchange Investment Notes *[KYODO]* ... 6
Constitution Committee Chairman Too 'Cautious' *[KYODO]* ... 6
MITI Plans Increasing Loans for Small Firms *[KYODO]* ... 7
Mitsuzuka Hints at LDP Decision on Tax Cut *[KYODO]* ... 7
Employers 'Embarrassed' by Labor Ministry Request *[KYODO]* ... 7
Energy Consumption Registers Slow Growth *[KYODO]* ... 7

North Korea

Deployment of U.S. Planes in South Denounced *[KCNA]* ... 8
Paper: U.S., ROK Must Stop 'War Rehearsal' *[KCNA]* ... 8
Students Urged To Help 'Foil' Team Spirit *[KCNA]* ... 8
South's Sentencing of Chondaehyop Head Denounced *[KCNA]* ... 9
DPRK, Russia Sign Science, Technology Agreement *[Pyongyang Radio]* ... 9
PRC Government Cultural Delegation Departs 8 Feb *[Pyongyang Radio]* ... 9
Minister Receives Letter From Cuban Counterpart *[KCNA]* ... 10
Kim Il-song Sends Greetings to Iranian President *[KCNA]* ... 10
Paper Marks 14th Anniversary of Iranian Revolution *[KCNA]* ... 10
Economic Committee Official Leaves for Iran *[KCNA]* ... 10
SPA Chairman Yang Hyong-sop Arrives in Iran *[Pyongyang Radio]* ... 11
Daily: Deportation of Palestinians 'Unjustifiable' *[KCNA]* ... 11
Anniversary of Ties With Azerbaijan Marked *[KCNA]* ... 11
Anniversary of Relations With Moldova Noted *[KCNA]* ... 11
Daily Stresses Army's Unity, 'Comradely Love' *[Pyongyang Radio]* ... 12
Kim Chong-il Treatise on Architecture Studied *[KCNA]* ... 17
KCNA Reviews 11 Feb Pyongyang Press ... 17

South Korea

Seoul To End Semiconductor Import Tariffs *[YONHAP]* ... 18
Ministry Notes U.S. Decision on S&T Agreements *[YONHAP]* ... 18
Editorial Reminds U.S. of Trade Order Responsibility *[HANGYORE SINMUN 10 Feb]* ... 19
IAEA Requests 'Special Inspections' in DPRK *[YONHAP]* ... 19

  - More Pressure on DPRK *[YONHAP]* 20
- Companies Prepare for DPRK Economic Links *[YONHAP]* 21
- North Suspends Talks on U.S. Soldiers' Remains *[SEOUL SINMUN 11 Feb]* 22
- France Returns DPRK Diplomat's $2 Million *[CHUNGANG ILBO 11 Feb]* 22
- Unification Board Official Denies Kim Il-song Ill *[Seoul Radio]* 22
- DPRK Domestic, International Air Routes Noted *[YONHAP]* 22
- DPRK Offers PRC Entrepot Ports for ROK Trade *[YONHAP]* 23
- DPRK To Adopt 'No-Visa' System for Free Trade Zone *[YONHAP]* 23
- NAEWOE: DPRK Seeking Links to Western Technology *[YONHAP]* 23
- Student Leader Sentenced for Hoisting DPRK Flag *[THE KOREA HERALD 9 Feb]* 24
- ROK-Japan Intellectual Property Rights Talks Fail *[YONHAP]* 24
- President-elect Stresses Japanese Ties *[YONHAP]* 24
- Officials: 'Comfort Women' Probe Before Japan Summit *[YONHAP]* 24
- Vietnamese Premier To Visit Seoul in May *[YONHAP]* 25
- PRC Maritime Delegation Arrives for Talks *[YONHAP]* 25
- PRC-ROK Ferry Ridership Down, Air Traffic Up *[YONHAP]* 25
- Hunchun Mayor Discusses Tumen River Development *[TONG-A ILBO 5 Feb]* 25
- German Bank Said To Violate Currency Rules *[THE KOREA TIMES 9 Feb]* 26
- Dispatch of Observers 'Milestone' in Russian Ties *[THE KOREA TIMES 11 Feb]* 27
- Eastern Europeans Expected To Visit Taejon Expo *[YONHAP]* 28
- ROK To Allow Foreign Firms To Buy Real Estate *[THE KOREA TIMES 11 Feb]* 28
- DP Refuses Offer of Two Cabinet Posts *[YONHAP]* 28
- Kim Yong-sam Vows To Stop Official Corruption *[YONHAP]* 29
- Extra Assembly Session Convenes 9 Feb *[THE KOREA TIMES 10 Feb]* 29
- Chong Departure To Lessen Hyundai Conflict *[THE KOREA TIMES 11 Feb]* 29
- UPP Lawmaker Resigns After Indictment *[YONHAP]* 30
- 'Keen' Interest Shown in Kim, No, Chun Ties *[THE KOREA HERALD 9 Feb]* 30
- Government Pressed To Retain Telecom Selection *[YONHAP]* 31
- Prosecutors Arrest 40 for Trademark Law Violations *[YONHAP]* 32
- Officials Admit Receiving Money From Hyundai *[YONHAP]* 32
- Business Expected To Improve in Feb *[YONHAP]* 32

SOUTHEAST ASIA

Brunei, Malaysia & Singapore

Malaysia

- Rulers Conference Meets Under New Immunity Rules *[Kuala Lumpur Radio]* 34
  - Agree to Amendments With Changes *[BERNAMA]* 34
- Kelantan Government Rejects Federal Circular *[NEW STRAITS TIMES 9 Feb]* 34
  - Let Royals Rule *[NEW STRAITS TIMES 9 Feb]* 34
- Commentary Welcomes Mauritian Premier's Visit *[Kuala Lumpur Radio]* 35
  - Jugnauth Discusses Trade, Seeks Investors *[BERNAMA]* 35

Singapore

- Philippine President Arrives for State Visit *[Singapore Radio]* 36
- Indonesian Defense Minister Pays Farewell Visit *[THE STRAITS TIMES 10 Feb]* 36

Cambodia

- Hun Sen Reaffirms 'Ability To Capture' Pailin *[Bangkok THE NATION 11 Feb]* 36
- Sihanouk Welcomes Arriving Mitterrand *[SPK]* 37
  - Discusses Presidential Elections *[AFP]* 37
  - Accompanies Mitterrand To Meet SNC *[Phnom Penh Radio]* 38
- Siem Reap 'Gunmen' Steal Angkor Statues *[AFP]* 38
  - Indian Soldier Injured in Attack *[Delhi Radio]* 38
  - Government Condemns Attack *[Phnom Penh Radio]* 39
- Joint Think Tank To Deal With Legal Disputes *[SPK]* 39

Indonesia

Muslims Urge U.S. To Reject Vance Bosnian Plan *[ANTARA]* 39
Paper Views New U.S. Foreign Policy *[KOMPAS 29 Jan]* 40
Papua New Guinean Premier, Delegation Arrive *[Jakarta Radio]* 41
  Suharto Hosts Banquet *[Jakarta Radio]* 41
  PNG Interested in Oil Production *[Jakarta Radio]* 41
  Suharto Holds Talks With Wingti *[Jakarta Radio]* 42
Vice President Meets PRC Trade Delegation *[Jakarta Radio]* 42
India Signs Agreement on Trade, Industry *[Delhi Radio]* 42

Laos

AIPO Delegation Ends Visit, Departs 11 Feb *[Vientiane Radio]* 42
Ministry Estimates 1992 Agricultural Production *[Vientiane Radio]* 43

Philippines

Ramos Speaks Prior to Departure for Singapore *[Quezon City Radio]* 43
  Ramos Urged To Defend Democracy *[THE MANILA CHRONICLE 11 Feb]* 44
Paper Views Ramos' Planned Overseas Trips *[THE MANILA CHRONICLE 6 Feb]* 44
Foreign Secretary To Visit PRC for Trade Talks *[THE MANILA CHRONICLE 10 Feb]* 45
Trade Minister: Cut Dependence on U.S., Japan *[BUSINESS WORLD 11 Feb]* 45
Paper Discusses Effective Use of Foreign Aid *[THE MANILA CHRONICLE 10 Feb]* 46
Official Reports Poor 1992 Economic Results *[PHILIPPINE DAILY INQUIRER 6 Feb]* 47
Central Bank Reveals $30-Billion Foreign Debt *[BUSINESS WORLD 9 Feb]* 47
1992 Real Agricultural Output Down Slightly *[BUSINESS WORLD 10 Feb]* 48
Ramos Orders Charges Against Former PNP Chief *[Manila Radio]* 48
Military Believes MILF Using Smuggled Arms *[Quezon City TV]* 49

Thailand

Paper: Dalai Lama's Visit 'Correct' *[MATICHON 10 Feb]* 49
  Spokesman Refutes PRC Warning *[ZHONG HUA RIBAO 11 Feb]* 49
  No Formal Protest From PRC Embassy *[XIN ZHONG YUAN RIBAO 11 Feb]* 50
Trade With Saudis 'Steady' Despite Strains *[BANGKOK POST 9 Feb]* 50
Saudi Envoy Warns About Delay in Solving Cases *[AFP]* 51
India Proposes Broader Cooperation *[Bangkok Radio]* 52
Bank Moves To Establish Country as Financial Hub *[Bangkok Radio]* 52

Vietnam

Reportage on French President Mitterrand's Visit 52
  Mitterrand Speaks at Banquet 9 Feb *[Hanoi Radio]* 52
  Mitterrand, Nguyen Hold News Conferences *[Hanoi Radio]* 54
  Mitterrand Leaves City 11 Feb *[Hanoi Radio]* 55
  Air France, Alcatel Sign Deals *[AFP]* 56
  French TV Transmitter Inaugurated *[VNA]* 56
Premier Speaks to Congress of Overseas Vietnamese *[Hanoi International]* 56
  Meets HCMC Industrialists *[Hanoi Radio]* 57
Workers Strike at ROK Joint Venture *[AFP]* 57
Canadian-Vietnamese Investor Jailed *[AFP]* 58
NHAN DAN Interviews Agriculture Minister *[VNA]* 58
Diplomatic Relations Established With Qatar *[VNA]* 58
'Considerable' Advances Noted in Public Health *[VNA]* 58

Northeast Asian Environment Meeting Sets Priorities

SK1102031293 Seoul YONHAP in English 0222 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—The first Northeast Asian environment meeting closed here Thursday with a report setting three priority projects, with financial assistance from international organizations secured, and with the Economic and Social Commission for Asia and the Pacific (ESCAP) designated as the temporary secretariat.

The five participating countries—South Korea, Japan, China, Mongolia and Russia—formally adopted recommendations to negotiate energy and air pollution, capacity building and ecosystem management at the next meeting, expected in Beijing in September.

The Asian Development Bank (ADB) promised to finance the three projects, and more assistance is expected when the World Bank attends from the next conference, officials here said.

The participants said they hope to expand the senior officials meeting to minister-level talks once the projects get under way and to adopt a "Seoul Declaration" to pledge inter-governmental commitment to the projects.

The Seoul meeting was the first regional environment conference in Northeast Asia, the only area in the world without such a mechanism. North Korea turned down an invitation to attend, and it was agreed to urge Pyongyang to participate in the future.

The conference report requests the ESCAP Secretariat "make further efforts to obtain the participation of the Democratic People's Republic of Korea to participate in the subsequent meeting of the senior officials."

Project selection had to settle for equal presentation of interests since each country had different focuses, conference officials said. China listed energy issues, particularly clean coal combustion technology, while Japan suggested joint monitoring and survey of air pollution. For South Korea, primary concerns were energy efficiency, air pollution information and capacity building. Mongolia picked air pollution and waste disposal and recycling, while Russia stressed ecosystem management in addition to air pollution prevention, officials said.

"Keeping in view the mutuality of interest and resource constraint, in the spirit of cooperation and accommodation," the meeting initially chooses the three priority areas, the report says.

Ecosystem management, added last, will lean mostly on deforestation and desertification, according to the report.

Participants also differed on establishing a formal mechanism with China and Japan, saying it was too early for such measures.

The conference agreed to have ESCAP serve as a temporary secretariat "till an appropriate time comes for its institutional arrangements."

The report calls on all involved countries to transmit, as early as possible, necessary information and preferences on subprojects and put the ESCAP secretariat in charge to produce a follow-up action before the meeting in Beijing.

Japan

EC Asks Tokyo To Advance Summit Schedule

OW1002150593 Tokyo KYODO in English 1439 GMT 10 Feb 93

[Text] Tokyo, Feb. 10 KYODO—The European Community has asked Japan to move ahead the schedule of a summit of seven industrialized nations, Japanese Government sources said Wednesday. The EC hopes the Tokyo summit will be held this spring instead of July 7-9, the sources said.

The Japanese Government will consider the request while hearing the views of the other six countries—the United States, Britain, Germany, France, Italy and Canada, they said.

The EC cited the need to rev up the faltering global economy as a main reason for the request, the sources told KYODO News Service.

Foreign Minister Michio Watanabe may sound out the U.S. on its views when he has talks with U.S. Secretary of State Warren Christopher in Washington late this week, they said. Sources close to Prime Minister Kiichi Miyazawa, however, sounded cautious about the EC request because the current ordinary Diet session lasts until June 20.

According to Japanese Foreign Ministry sources, meanwhile, France unofficially sought an early holding of the Tokyo summit while Britain wants the summit to be held in July as originally scheduled. The U.S. has not made clear its stance as yet, the sources added.

Some Japanese Government officials are skeptical about the effect of an early convocation of the summit on the world economy, the ministry sources said. Other ministry sources, however, said Wednesday night the possibility cannot be entirely denied that the summit will take place earlier than scheduled.

Jacques Delors, president of the EC, proposed at a council of foreign ministers meeting in Brussels on February 1 that the Tokyo summit be held earlier than scheduled in order to take measures to revitalize the world economy and secure economic growth. The EC president's call was prompted in part by high jobless rates in EC countries, analysts said.

Tokyo Said To Support Proposal for G-7 Meetings

OW1002024193 Tokyo KYODO in English 2354 GMT 9 Feb 93

[Text] Tokyo, Feb. 10 KYODO—Japan supports a proposal by U.S. Treasury Secretary Lloyd Bentsen for more unofficial meetings of top economic policy makers from the Group of Seven (G-7) industrial countries, a major business daily said Wednesday. The NIHON KEIZAI SHIMBUN said Finance Minister Yoshiro Hayashi will convey his support when the two men meet in Washington on Saturday for the first time.

Japanese and U.S. monetary authorities believe frequent and informal meetings among policymakers will help make G-7 get-togethers a more effective arena for discussion, thereby boosting policy coordination, the daily said. The paper said it also would allow the member countries to promptly tackle issues such as currency market turmoil.

Hayashi and Bentsen will lobby other G-7 ministers for support with an eye to adopting the strategy when all seven finance ministers meet in London next February 27.

U.S. Signals Tokyo 'Must Boost' Imports

OW1102025393 Tokyo KYODO in English 0245 GMT 11 Feb 93

[Text] Washington, Feb. 10 KYODO—The United States signaled Wednesday that Japan must boost its imports to slash its mounting trade surplus, saying that is the message Washington wants to convey in a series of top-level bilateral meetings this week.

White House Spokesman George Stephanopoulos said the U.S. wants "fair trade" and is not gearing up for a trade war with Japan. President Bill Clinton "doesn't want a trade war with Japan or any other nation," Stephanopoulos told reporters.

Clinton "believes that if we're going to have trade it is fair trade and that will be the subject of discussions with the Japanese," he added.

Stephanopoulos outlined the Clinton administration's basic stance on trade policy ahead of the visits to Washington by Japanese Foreign Minister Michio Watanabe and Finance Minister Yoshiro Hayashi. The visits will mark the first top-level face-to-face contacts between Tokyo and Washington since the new Clinton administration came to office three weeks ago.

Watanabe, who is arriving in Washington on Thursday morning for a three-day visit, is due to meet with Clinton, Presidential National Security Adviser Tony Lake and U.S. Trade Representative Mickey Kantor later in the day. He has also set up meetings with other senior administration officials, including Secretary of State Warren Christopher and Defense Secretary Les Aspin.

Hayashi, who will be arriving in Washington on Friday, will meet Treasury Secretary Lloyd Bentsen later that day, U.S. Treasury Department officials said.

While both U.S. and Japanese officials have described the series of meetings as get-acquainted sessions, the 44 billion dollar trade surplus Japan chalked up with the United States last year is expected to dominate the meetings.

The United States, while pressing Japan to open up its markets to imports, also wants Tokyo to boost the Japanese economy. The message to Tokyo is "for long-term sustainable growth" and policies that keep open trade in the world, Bentsen told reporters.

From the Japanese perspective, the meetings Watanabe and Hayashi will have with Clinton administration officials over the next two days will give Tokyo the opportunity to underscore its own concern on protectionist leanings in the new administration.

"We should tell the American leadership what we think. Such input is important at the outset of an administration," a Japanese diplomat said.

Japanese officials say Watanabe also wants to assure the Clinton administration that Tokyo is committed to the U.S-Japan alliance and ready to work together in tackling global issues.

Watanabe Leaves for U.S. To Meet Leaders

OW1102024393 Tokyo KYODO in English 0221 GMT 11 Feb 93

[Text] Tokyo, Feb. 11 KYODO—Foreign Minister Michio Watanabe departed Thursday morning for Washington to meet with President Bill Clinton and leaders of his new administration to reaffirm fundamental Japan-U.S. relations.

Among officials Watanabe will meet during his stay in Washington until Sunday are Secretary of State Warren Christopher and Defense Secretary Les Aspin. Their discussions are expected to touch on policies regarding China and Russia.

On trade issues, the foreign minister is expected to express concern about American protectionism, and Japanese officials expect Washington to press Japan to cut its trade surplus with the U.S., open its rice market to imports and make improvements in other industrial areas. Watanabe left Haneda Airport shortly after 10 A.M. on what was the first flight of the government's VIP jetliner.

Plans To Discuss Economic Issues

OW1102061693 Tokyo KYODO in English 0603 GMT 11 Feb 93

[Report by Antonio Kamiya]

[Text] Washington, Feb. 11 KYODO—Japanese Foreign Minister Michio Watanabe arrives in Washington on Thursday for talks with U.S. Government leaders that are likely to set the tone of Tokyo's relationship with the fledgling Clinton administration.

Watanabe, who concurrently serves as deputy prime minister, has set up a busy schedule for the three-day visit, Japan's first top-level face-to-face contact with senior officials in the new administration. Topping the agenda of Watanabe's first day in Washington is a meeting with President Bill Clinton at the White House early Thursday afternoon.

Clinton, who has met only three foreign leaders since taking office on January 20, will meet Watanabe to "express his wishes for a productive and constructive relationship with Japan," said White House spokesman George Stephanopoulos.

Prior to the Clinton meeting, Watanabe will hold his first round of talks with senior administration officials with a call on Clinton's National Security Adviser, Tony Lake, at the White House.

Watanabe also will meet with U.S. Trade Representative Mickey Kantor and possibly Vice President Al Gore during his first-day stay in Washington.

On Friday, Watanabe is slated to hold talks with Secretary of State Warren Christopher and Defense Secretary Les Aspin. Also on Friday, Japanese Finance Minister Yoshiro Hayashi arrives in Washington for talks with Treasury Secretary Lloyd Bentsen.

While both U.S. and Japanese officials have described the series of meetings as get-acquainted sessions, the huge trade surplus Japan chalked up last year with the United States and the rest of the world is expected to dominate the atmosphere.

In a personal letter to Japanese Prime Minister Kiichi Miyazawa earlier this week, Clinton said he is concerned about the U.S. trade deficit with Japan—43.6 billion dollars last year, according to Japanese figures—and wants the gap narrowed.

Tokyo is wary of moves in the U.S. Congress to pass tough trade laws that require the administration to take unilateral action against countries accused of unfair trade practice.

Washington, on its part, has a host of trade complaints against Tokyo, including semiconductor exports to Japan and Japanese refusal to open its rice market.

Apart from trade issues, Japanese officials say Watanabe also plans to assure the Clinton administration that Tokyo is committed to broader cooperation between the two countries in tackling global issues.

In his talks with Christopher and Aspin, for instance, Watanabe is expected to emphasize the importance of Japanese-U.S. security ties and continued Japanese financial support for the U.S. military stationed in Japan.

Car Dumping Suit Decision Pleases Automakers

OW1002043793 Tokyo KYODO in English 0303 GMT 10 Feb 93

[Text] Tokyo, Feb. 10 KYODO—Japanese automakers expressed relief Wednesday over the overnight decision by their U.S. counterparts not to file a dumping suit against Japanese imports.

"Frankly speaking, we heaved a sigh of relief because considerable labor and money would have been necessary in preparing documents and taking legal procedures to counter it if the dumping suit were filed," said an official at a major manufacturer. Another official said the U.S. decision is "only natural," echoing the Japanese industry's view of the threats of a lawsuit.

Japanese automakers have insisted that their pricing in the United States is fair and that a lawsuit was unreasonable.

The big three—General Motors Corp., Ford Motor Co., and Chrysler Corp.—had been considering a petition against their Japanese counterparts, complaining their imports are being sold at unfairly lower prices. An official of a major Japanese trading house said the U.S. move was otherwise successful in that it achieved the so-called announcement effect.

"The big three's true intention was to urge (Japan) to decrease sales in the United States even lower and also to stop the strategy of selling through sales grants to dealers," an executive said.

Matsunaga Expresses Concern Over Steel Duties

OW1102043793 Tokyo KYODO in English 0421 GMT 11 Feb 93

[Text] Washington, Feb. 10 KYODO—U.S. Commerce Secretary Ron Brown called for action by Japan to redress the trade imbalance between the two countries in a meeting with Japanese officials Wednesday.

Brown discussed the trade issue with Nobuo Matsunaga, former Japanese ambassador to the United States who is visiting Washington as a government representative. After the meeting, Brown told reporters there are many trade issues between the two countries and they should be resolved by action, not through news reports. On individual issues, Matsunaga expressed concern about a U.S. decision to impose dumping duties on steel imports from Japan and 18 other countries.

The U.S. Commerce Department slapped provisional tariffs of up to 109 percent on steel imports from the 19 nations on January 27, accusing them of selling products in the United States for less than in their home markets.

Brown said the case had been filed before he assumed his post, and his discretion is limited as his department handled it in line with trade law procedures.

Matsunaga also met U.S. Deputy Treasury Secretary Roger Altman, who urged Japan to help redress the trade imbalance through fiscal and monetary policies, Japanese officials said.

USMC Exercise on Okinawa Raises Concerns

OW1102103093 Naha OKINAWA TIMES in Japanese 9 Feb 93 Morning Edition p 23

[Text] The U.S. Marine Corps [USMC] has been conducting a three-day live-fire training exercise since 8 February at Camp Hansen training ground in Kin-cho. This is the second time the USMC has conducted such an exercise this year. This year's exercise is more intensified than last year and has caused frequent forest fires. Some forestry experts warn: "Damage to the forests will also trigger damage at sea, as the mountains and sea of Okinawa are so closely related." In the United States, environmental pollution caused by substances left in shut-down military bases has become a social problem. It is believed that even if the training ground in Kin-cho is returned to Japan, it will take a lot of time and money to remove numerous shell splinters and to dispose of dud shells left at the training ground.

Shosuke Tokuyama, a professor (of physical chemistry) at the University of the Ryukyus, expressed concern about the effects of the intensified USMC exercise on the natural environment. He said: "On Okinawa, substances on the ground are easily carried into the sea by the rain because of the island's terrain and soil. Thus, the military training will damage the sea."

According to Professor Tokuyama, the coefficient of river flow—which shows fluctuations in the amount of flowing water—is less than one digit on large continents, and two digits on mainland Japan [sentence as published]. However, this coefficient is very high on Okinawa; it always goes into three figures. This means that Okinawa's environment is affected by its terrain.

Tokuyama said: "The live-fire training exercise is being conducted in an area where the greatest care of nature needs to be taken. It has also caused forest fires. The dangerous damage to nature the exercise is causing is immeasurable."

Meanwhile, the Naha Defense Facilities Administration Bureau, which is in charge of U.S. Forces' facilities on Okinawa, said: "We have taken measures to prevent the flow of red mud into the sea. We have dug sand ponds near the Okawa river in Igei district and other rivers. We have taken all possible measures for environmental protection."

The prefectural government began to collect data on this USMC live-fire training exercise in 1973. According to the data, since 1973 the exercise has lasted a total of 220 days and about 28,000 rounds of ammunition have been fired. Although a survey of actual damage on Mt. Onna has not yet been conducted, it is believed that even after the return of the training ground to Japan, entry into the ground will be prohibited for quite a long time in order to dispose of dud shells.

The Pentagon plans to spend $25 billion over the next 20 years to prevent environmental pollution by heavy metal, jet engine fuel, and used shells left in shut-down military bases in the United States. It is believed that, if bases in Europe and the Philippines—from which U.S. Forces have already been withdrawn—should also be subject to the plan, the Pentagon will need enormous amounts of funds for environmental protection. According to a U.S. press report, Congress decided in a 1988 meeting to close 73 military facilities in the United States. According to the report, it is said that 11,000 places on these facilities have been contaminated, and the land cannot be used until the clean-up work has been completed.

William Randor [name as published], an assistant professor (of English) at Okinawa Kokusai University, is displeased with the USMC exercise, which is being conducted near a residential area. He said: "This kind of exercise would be impossible in the United States."

Randor has lived in Okinawa for 24 years. He said: "It would be possible to prevent such a military exercise from affecting people's lives if it were conducted in a vast area of the United States. It is impermissible to conduct live-fire training exercises which close a highway people frequently use."

Some people argue that forests in the northern military training ground are being protected from development because the area is used by U.S. Forces. Commenting on this opinion, Etsuko Urashima, a member of a nature protection group "Liaison Council for Protecting Mountains in Yambaru," said: "It is ironic, but we have to call for the removal of military bases while making efforts to protect nature." In this way, she stressed the need for environmental protection.

Russian-Japanese Club Helps Ethnic Minorities

OW1002132193 Tokyo KYODO in English 1246 GMT 10 Feb 93

[Text] Tokyo, Feb. 10 KYODO—Representatives of Russian Far East ethnic minorities and a number of small Japanese companies Wednesday set up an organization to promote cultural and economic development in the region, organizers said.

The Eurasian Club is seeking sustainable economic development that respects and preserves the cultures of the thousands of indigenous people such as the Nanai and Ulchi in the Russian Far East, Club President Ryo Ono said at a founding symposium for the organization in Tokyo.

With funds from its members the club plans to establish a minority culture center by 1994 in a small Nanai village on the Amur 80 kilometers from Khabarovsk, which will include a museum and research facilities, as well as an ethnic restaurant and a hotel, he said. All facilities will be run by local people.

The club also will provide interested Japanese with information about Russian aboriginal cultures and enhance bilateral exchanges by helping to establish sister villages.

To be accepted as a club member companies have to donate 1 million yen, while individuals are required to pay 100,000 yen.

All profits, including those from business activities by the Eurasian project, a joint-venture set up in March 1992, will be reinvested in local projects for the preservation of the ethnic cultural heritage, Ono said.

Russian participants stressed that the economic independence of the several ethnic groups is a prerequisite for the preservation of their unique cultural heritages. They said the sparsely populated Amur region with its beautiful setting is ideal for tourism and recreation.

Furthermore the Far East region is abundant in natural resources like fish, timber, fur-bearing animals, and medicinal plants, which offer plenty of opportunities for the processing industry, Mikhailovna Aktanko, major [as received] of a village in the Khaborovsk region, said.

The minority representatives stressed that such business projects can only be realized with the help of Japanese investment and technology.

Eight Chinese Arrested for Immigration Violations

OW0902130393 Tokyo KYODO in English 1230 GMT 9 Feb 93

[Text] Fukuoka, Feb. 9 KYODO—Police arrested eight Chinese men in Kurume in Fukuoka Prefecture, western Japan, on Tuesday on suspicion of violating the immigration law by staying on in the country illegally after expiration of their visas.

Police found the visas of the men were already expired when they checked with the immigration bureau following a report from citizens that dubious persons had been staying at a hotel for several days.

The Chinese, aged between 22 and 39, came to Japan from Shanghai between 1988 and 1992, police said.

When arrested, none of them had passports, but two were carrying their expired alien registration cards and one had about 900,000 yen in cash, police said.

MSA Discovers Boat With Vietnamese 'Refugees'

OW1002072193 Tokyo KYODO in English 0647 GMT 10 Feb 93

[Text] Naha, Feb. 10 KYODO—A Maritime Safety Agency [MSA] patrol boat discovered a small wooden craft off Iriomote Island on Wednesday morning and suspect the 30 men and women aboard may be refugees from Vietnam, MSA officials said.

The patrol boat from Ishigaki Island approached the 20-foot vessel at about 7:30 A.M. and while investigating on-board, MSA officers were told by the vessel's captain in English that "everyone is Vietnamese," the MSA reported.

The patrol boat is towing the boat to Ishigaki Island and is expected to arrive there Wednesday evening, the MSA said. Immigration authorities are expected to question the passengers in detail.

The passengers on the ship included 19 men, seven women, and four children and all were dressed in thermal clothing and outfitted with life jackets, the MSA said.

According to the investigating officers, the captain of the ship said the vessel left Taiwan on Friday, but MSA officials suspect the ship came from Vietnam with a short stop in Taiwan.

Tokyo, Ankara Exchange Investment Notes

OW1002124493 Tokyo KYODO in English 1142 GMT 10 Feb 93

[Text] Tokyo, Feb. 10 KYODO—Japan and Turkey on Wednesday exchanged the instruments of ratification in Tokyo for a bilateral agreement on investment protection, the Foreign Ministry said.

Under the treaty due to take effect March 12, the two countries will give each other most favored nation (MFN) trade status for investment and related businesses and will protect invested assets.

The countries will also discuss conditions and compensation in case invested assets are nationalized, the ministry said.

The treaty was signed by the two countries in Ankara February 12, 1992.

Constitution Committee Chairman Too 'Cautious'

OW1002135993 Tokyo KYODO in English 1313 GMT 10 Feb 93

[Text] Tokyo, Feb. 10 KYODO—The chairman of a ruling Liberal Democratic Party (LDP) committee on the Constitution came under fire Wednesday for his cautious stand on revising the war-renouncing Constitution.

House of Representatives member Muneo Suzuki noted at the first full session of the research commission on the Constitution that the LDP platform advocates revising the Constitution, and slammed Chairman Yuko Kurihara for saying the discussion is not based on the premise that the charter ought to be amended.

Kurihara replied that his approach is aimed at seeking wider public participation in the debate.

In the past many Japanese have shied away from such debate because they associate the questioning of the Constitution and its war-renouncing Article 9 with a move toward a more aggressive military.

Article 9 bans the use of force to resolve international disputes, and has been the focus of recent debate on whether Japan is permitted to join collective security operations if they are conducted by the United Nations.

Masaaki Nakayama predicted that full-fledged debate on constitutional revisions would remain subdued for the duration of Prime Minister Kiichi Miyazawa's administration.

Miyazawa, whose renewable two-year term ends in September, has repeatedly said revision of the Constitution is not on his political agenda.

Commission members differed over whether a total overhaul of the Constitution is needed, or whether they should concentrate on Article 9 and other aspects relevant to Japan's contributions to the international community.

There were also sharp differences on whether the Constitution is flawed because it was imposed by the United States, or whether Japan should blame itself for the partly foreign-authored Constitution.

Nakayama suggested the U.S. should publicly acknowledge that it imposed the charter on Japan.

Susumu Yanase said that Japan should acknowledge that the Constitution is a result of its aggression in World War II.

Failure to do so could lead to distrust among the public that Japan is once again heading down the road to militarism, he said.

Hiroyuki Hosoda advocated discussion on enshrining Japan's non-nuclear principles in a revised Constitution.

Japan has adopted nonbinding principles of not manufacturing or acquiring nuclear weapons, or allowing their introduction to Japanese territory by other countries.

The commission members at their first session also listened to the views of editorial writers from the daily YOMIURI SHIMBUN and SANKEI SHIMBUN. The two conservative newspapers advocate revising the Constitution.

The panel plans to solicit views from other newspapers and outside specialists during its weekly meetings, and draw up a mid-term report by June.

MITI Plans Increasing Loans for Small Firms

OW0902140093 Tokyo KYODO in English 1116 GMT 9 Feb 93

[Text] Tokyo, Feb. 9 KYODO—A top trade official suggested Tuesday that the ministry is considering expanding the limits of loans by Small Business Finance Corp. as part of efforts to help prop up the ailing economy.

The official of the Ministry of International Trade and Industry (MITI), speaking on condition of anonymity, explained that "despite the demand for funds by smaller enterprises, financial institutions are reticent to finance them."

He said that even though there was a cut in the official discount rate last week, financial institutions have not sufficiently lowered their lending rates.

"Spreads between lending and deposit rates have widened," the official said.

He also pointed out that banks and other financial institutions have sharply reduced the number of clients entitled to short-term prime lending rates charged on loans of up to one year to most creditworthy customers.

Mitsuzuka Hints at LDP Decision on Tax Cut

OW1002080793 Tokyo KYODO in English 0743 GMT 10 Feb 93

[Text] Nagasaki, Feb. 10 KYODO—Hiroshi Mitsuzuka, head of the ruling Liberal Deomcratic Party's Policy Affairs Research Council, indicated Wednesday his party would hammer out its policy on a tax reduction during March.

Mitsuzuka said at a meeting in Nagasaki that the party should make a decision in March on whether lowering the income tax is good or bad. The LDP also should decide how to proceed on the issues of housing loans, education loans and investment tax credits, he said.

The possibility of an income tax reduction is one of the major issues being debated in the regular Diet session.

Calls for a tax cut have been mounting from opposition parties, business leaders and some LDP officials on grounds that it would give a boost to both consumer and capital spending.

Mitsuzuka also called for early approval of the budget for fiscal 1993, which begins in April.

He said that although finding the truth of the money-and-mob scandal involving defunct Tokyo Sagawa Kyubin Co. and making political reforms are important matters, it is wrong to take the budget hostage to push for an investigation on the scandal.

Employers 'Embarrassed' by Labor Ministry Request

OW0902140193 Tokyo KYODO in English 1128 GMT 9 Feb 93

[Text] Tokyo, Feb. 9 KYODO—Business leaders were embarrassed by a Labor Ministry request Tuesday to refrain from carrying out drastic jobs reductions, sources said.

The ministry made the unusual request to four major economic organizations, including the powerful Federation of Economic Organizations (Keidanren).

The request followed moves by some major corporations to dismiss designated middle management personnel and cancel decisions to hire new college graduates this spring.

Gaishi Hiraiwa, chairman of Keidanren, said it is difficult to impose a mandatory restraint on personnel cuts because the economic slump is badly hurting some companies.

The Japan Federation of Employers Associations (Nikkeiren) expressed concern that the issue arising from the cancellation of college graduate employment may become more serious next year if companies miscalculate their business performance prospects.

Nikkeiren said it will intervene in individual cases involving dismissals of designated personnel.

Energy Consumption Registers Slow Growth

OW1002085393 Tokyo KYODO in English 0834 GMT 10 Feb 93

[Text] Tokyo, Feb. 10 KYODO—Japan's energy consumption in the first half of fiscal 1992 posted the lowest year-on-year growth since 1986, reflecting the economic slowdown, the government reported Wednesday.

The Ministry of International Trade and Industry said energy consumption for the April-September period of 1992 rose a mere 1.1 percent over the year before to 1.07 billion barrels.

The growth rate was the smallest since the latter half of fiscal 1986 when a 0.9 percent rise was recorded, the ministry said.

Ministry officials attributed the slow growth to sluggish production resulting from the economic slump.

The officials predicted a slow growth rate for the latter half of fiscal 1992, citing stagnant industrial production.

Energy consumption for industrial activities declined 1.9 percent to 553.5 million barrels while that for household use increased 5.8 percent to 245.3 million barrels, the ministry said.

Consumption by transport vehicles gained 3.3 percent to 270.5 million barrels, it said.

Supplies of primary energy sources climbed 2.7 percent to 1.66 billion barrels, the ministry said.

The ministry said nuclear power generation increased 8.5 percent and accounted for 10.3 percent of primary energy supplies, while crude oil provided 56.8 percent of all energy needs.

North Korea

Deployment of U.S. Planes in South Denounced

SK1102051593 Pyongyang KCNA in English 0433 GMT 11 Feb 93

[Text] Pyongyang, February 11 (KCNA)—The U.S. imperialist aggressors on February 8 and 9 deployed some 30 fighter-bombers, assault planes, pursuit-assault planes, refueling tankers and electronic jamming planes at U.S. Airforce bases in South Korea, according to military sources.

The deployment preceding the full-dress stage of the adventurous "Team Spirit 93" joint military exercises was aimed at examining the capabilities of quick deployment of fighter planes based in the U.S. mainland and Japan on the Korean peninsula in case of "emergency."

In separate action, the U.S. imperialists and the South Korean puppets staged a large-scale joint air war exercise within the framework of the "Team Spirit 93" by mobilizing more than 350 warplanes of various types.

On February 8 and 9, the U.S. imperialists sent large transport planes carrying aggressor troops and death tools for the "Team Spirit 93" to land at their bases in South Korea from their bases in the mainland and the Pacific, and deployed them in operational zones.

Paper: U.S., ROK Must Stop 'War Rehearsal'

SK1102064993 Pyongyang KCNA in English 0521 GMT 11 Feb 93

["Warlikers Fated To Be Punished"—KCNA headline]

[Text] Pyongyang, February 11 (KCNA)—If the United States and the South Korean authorities unleash a war ignoring the desire of the Korean people and the world peaceloving people for peace and peaceful reunification, they will face a deserved punishment, warns NODONG SINMUN today.

Noting that U.S. forces and combat equipment are being massed in South Korea for "Team Spirit 93" joint military maneuvers and that the United States and the South Korean authorities are frequently staging air war exercises and firing rifles and guns in areas near the demilitarized zone along the Military Demarcation Line in an attempt to invade the North, the news analyst says:

The North and the South of Korea have adopted and effectuated a historic agreement on nonaggression and a joint declaration on denuclearization. Now that the North and the South have promised the nation to solve the reunification problem by peaceful means by the nation's own efforts, not by war, the South Korean authorities must give up the "Team Spirit" maneuvers which they staged with outside forces in the cold war period. The United States must not simply talk about "end of the cold war" and "advent of peace era" but take measures to ease the tensions as required by the changed international situation and the situation on the Korean peninsula.

The United States and the South Korean authorities are trying to justify their resumption of the "Team Spirit" nuclear war rehearsal under the pretext of "suspicion of nuclear development" against the North.

This reminds one of the guilty party filing the suit first.

Nuclear threat comes from the South, not from the North.

The U.S. and South Korean warlikers are playing a nuclear war gamble with "suspicion of nuclear development by the North" as a pretext while concealing their nuclear weapons and hastening their nuclear development. How brigandish they are!

The United States and the South Korean authorities must stop the reckless nuclear war rehearsal at once.

Students Urged To Help 'Foil' Team Spirit

SK1102111893 Pyongyang KCNA in English 1058 GMT 11 Feb 93

[Text] Pyongyang, February 11 (KCNA)—The North side headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghaknyon) issued a statement today calling on the South side headquarters and overseas headquarters of Pomchonghaknyon and all the Korean youth and students to join in the struggle to check and foil the "Team Spirit" joint military maneuvers.

Recalling that the United States and the South Korean authorities announced Jan. 26 that they would stage the aggressive "Team Spirit 93" joint military maneuvers, ignoring the strong protest and criticism of people at home and abroad, the statement brands it as another intolerable challenge to the 70 million Koreans' desire for peaceful reunification and one more grave military provocation against the DPRK.

Although the United States and the South Korean authorities are trying to conceal the danger of the "Team Spirit" maneuvers with a poor excuse, they cannot cheat anyone with such sophism or evade the blame for wrecking the North-South relations which had definitely entered a phase of detente and reunification, and for derailing the implementation of the North-South agreement and various North-South dialogues, says the statement.

On behalf of the entire youth and students in the northern half of Korea, the statement says, the North side headquarters of Pomchonghaknyon bitterly denounces the forthcoming adventurous "Team Spirit 93" joint military maneuvers of the United States and the South Korean rulers, branding it as a grave challenge to peace and the cause of peaceful reunification on the Korean peninsula and an open threat to the existence of the Korean nation and to peace and security in Asia and the rest of the world.

The statement stresses:

The United States must immediately give up the reckless nuclear war rehearsal "Team Spirit" and withdraw its aggression troops and nuclear weapons from South Korea without delay, mindful that the youth and students in the northern half of Korea are revengeful.

The South Korean rulers must immediately stop the anti-national war racket aimed at devastating the territory, leveling guns at fellow countrymen, in collusion with outside forces and apologize to the nation for their treacheries.

We take this opportunity of expressing our belief that the South side headquarters and overseas headquarters of Pomchonghaknyon and all the Korean youth and students will pay deep attention to the grave situation on the Korean peninsula and courageously turn out in the joint struggle to check and frustrate the criminal "Team Spirit" joint military maneuvers of the U.S. imperialists and the South Korean rulers.

South's Sentencing of Chondaehyop Head Denounced

SK1002060493 Pyongyang KCNA in English 0447 GMT 10 Feb 93

["Anti-reunification Fascist Outrage"—KCNA headline]

[Text] Pyongyang, February 10 (KCNA)—The South Korean military fascist group sentenced Tae Chae-chun, chairman of the National Council of Student Representatives of South Korea (Chondaehyop), to a prison term of four years and the suspension of qualification for the same period on February 8. Commenting on this, NODONG SINMUN today says this is an unpardonable anti- national, anti-reunification fascist outrage.

The analyst notes:

His election as chairman of the sixth-term Chondaehyop and his activities fully accorded to the nation's desire for reunification and to the spirit of the historical agreement adopted and effectuated by the North and South Korean authorities.

This notwithstanding, the South Korean military fascist group arrested the patriotic-minded student in August last year, branding his righteous activities as "illegal", and harshly persecuted him before penalizing him by invoking a fascist law. This is an undisguised expression of its hostile policy towards the North of the same nation and clearly shows that it does not have the least intention to achieve national reconciliation, unity and reunification.

It goes without saying that the penalty imposed on the patriotic-minded student is a coproduction of the old and new ruling forces of the "Democratic Liberal Party [DLP]". The fact proves again that the South Korean people have nothing to expect of the new "DLP regime" which is vociferating about "civilian administration".

The South Korean rulers must clearly see the will of the people and act with discretion. Such anti-reunification fascist laws as the "National Security Law" must be scrapped and the illegally arrested and penalized chairman of Chondaehyop and all other patriotic students and personages be acquitted without delay.

DPRK, Russia Sign Science, Technology Agreement

SK1102034693 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 10 Feb 93

[Text] An agreement on scientific and technological cooperation was signed between the State Science and Technology Committee of the DPRK and the Ministry of Science, Higher Education, and Technology Policy of the Russian Federation in Moscow on 8 February.

The signing ceremony was attended by members of a government delegation of our country led by Yi Cha-pang, chairman of the State Science and Technology Committee, and our country's ambassador to Russia. From the Russian side, members of a science and technology delegation of the Russian Government led by Boris Saltykov, deputy chairman of the Council of Ministers and minister of the Ministry of Science, Higher Education, and Technology Policy of the Russian Federation, and functionaries concerned attended the meeting.

Yi Cha-pang, chairman of the State Science and Technology Committee, and Boris Saltykov, deputy chairman of the Council of Ministers and minister of the Ministry of Science, Higher Education, and Technology Policy of the Russian Federation, signed the letter of agreement respectively.

PRC Government Cultural Delegation Departs 8 Feb

SK1102092593 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 8 Feb 93

[Text] The Chinese Government cultural delegation led by Chen Changben, vice minister of the Ministry of Culture, returned home on 8 February by plane. Chon Yon-ok, vice chairman of the Committee for Cultural Relations with Foreign Countries, and a counselor to the PRC Embassy in our country, were on hand at the airport to bid farewell to the delegation.

Minister Receives Letter From Cuban Counterpart

SK1102103093 Pyongyang KCNA in English 1010 GMT 11 Feb 93

["Cuban Foreign Minister Supports Korean People's Struggle for National Reunification"—KCNA headline]

[Text] Pyongyang, February 11 (KCNA)—A letter of solidarity came to Foreign Minister Kim Yong-nam from Cuban Foreign Minister Ricardo Alarcon de Quesada supporting the policy of reunification of Korea.

Noting that the greatest desire of the Korean nation to reunify the country is arousing deeper international sympathy with the passage of time, the letter says:

The Cuban people welcomed with hope that a big progress had been made at the talks between the North and the South and agreement on reconciliation, nonaggression, cooperation and exchange between the North and the South and the joint declaration on the denuclearisation of the Korean peninsula, important documents, were adopted and effectuated.

The legitimate desire of the Korean nation and the entire people, however, faces a great difficulty owing to the refusal of the South Korean authorities to continue dialogue and implement the agreement.

The successive administrations of the United States have kept tensions with their vast military power present in South Korea and through the provocative "Team Spirit" joint military exercises staged by the United States and South Korea every year and scheme to perpetuate the division of the Korean nation by relying on their allies.

Availing ourselves of this opportunity we reiterate our invariable support to and firm solidarity with the Korean people in their struggle for socialist construction and the independent and peaceful reunification of the country.

Kim Il-song Sends Greetings to Iranian President

SK1002120793 Pyongyang KCNA in English 1045 GMT 10 Feb 93

[Text] Pyongyang, February 10 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea [DPRK] sent a message of greetings today to 'Ali Akbar Hashemi-Rafsanjani, president of the Islamic Republic of Iran, on the occasion of the 14th anniversary of the victorious Islamic revolution in Iran.

The message said that after the victory of the revolution the Iranian people have made strenuous efforts to consolidate the gains of the Islamic revolution and safeguard peace and security in the Persian Gulf, braving difficulties.

It expressed the belief that the excellent relations of friendship and cooperation between the two countries will grow stronger and develop and wished the Iranian president and people greater success in their efforts for the building of an independent and prospering new Iran.

Paper Marks 14th Anniversary of Iranian Revolution

SK1102105693 Pyongyang KCNA in English 1039 GMT 11 Feb 93

[Text] Pyongyang, February 11 (KCNA)—MINJU CHOSON today dedicates a by-lined article to the 14th anniversary of the victory of the Islamic revolution in Iran.

The victory of the Islamic revolution in Iran on Feb. 11, 1979, was a historical event which opened up a new epoch in the history of this country, the author of the article says, and goes on:

After the victory of the revolution, the Iranian people have firmly defended the gains of the Islamic revolution, smashing manoeuvrings of aggression and intervention by imperialists and reactionaries, and made energetic efforts to heal the war wounds and promote the independent development of the country.

The Korean people sincerely rejoice over and hail the achievements made by the Iranian people in their endeavours to rebuild the country along the road chosen by themselves, forcing their way through obstacles and difficulties.

The government and people of Iran, externally following the anti- imperialist, independent and nonaligned policy, are deepening friendship and solidarity with the world's progressive people and striving for peace and security in the Persian Gulf and the rest of Asia.

Korea and Iran, both Asian countries, have established close ties of friendship in their common struggle against imperialism and for independence.

Visits and contacts are becoming more frequent between the two peoples and exchange and cooperation are being stepped up.

We will do our utmost to strengthen and develop the bilateral relations of friendship and cooperation in conformity with the desire and purpose of the two peoples, in the future, too.

The Korean people wish the Iranian people greater success in their efforts to build an independent and prosperous, new Iran.

Economic Committee Official Leaves for Iran

SK0902115093 Pyongyang KCNA in English 1043 GMT 9 Feb 93

[Text] Pyongyang, February 9 (KCNA)—A delegation of the Korea-Mongolia Friendship Association led by Chon Yon-ok, Vice-chairman of the Committee for Cultural Relations with Foreign Countries and concurrently vice-chairman of the association, to visit Mongolia and a goodwill delegation of Kaesong Municipality headed by Pak Chong-sik, vice-chairman of the Municipal Administrative and Economic Committee, to visit Iran left here today by air.

SPA Chairman Yang Hyong-sop Arrives in Iran

SK0602002493 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 4 Feb 93

[Text] The DPRK Supreme People's Assembly [SPA] delegation led by SPA Chairman Yang Hyong-sop arrived in Teheran on 2 February to visit Iran.

'Ali Akbar Nateq-Nuri, speaker of the Islamic Consultative Assembly of Iran; other relevant functionaries; our country's acting charge d'affaires to Iran; and members of our embassy in Iran met the delegation at airport.

After winding up a visit to Pakistan on the morning of 2 February, the delegation departed for Iran.

Daily: Deportation of Palestinians 'Unjustifiable'

SK1102063793 Pyongyang KCNA in English 0454 GMT 11 Feb 93

["Unjustifiable Act"—KCNA headline]

[Text] Pyongyang, February 11 (KCNA)—Israel's deportation of more than 400 Palestinians to a no man's land from its occupied territories in December last year is an unjustifiable act ruthlessly trampling underfoot human rights, says NODONG SINMUN today.

The analyst notes:

The United Nations Security Council adopted resolution 799 demanding a safe return of all the deportees.

This notwithstanding, the Israeli Supreme Court ruled that the expulsion was "lawful".

The Israeli Government under the pressure of public opinion, recently declared that 100 of the 400 deportees would be allowed to return.

The United States, ignoring the demand of Arab nations for the repatriation of all the deportees, has caused the discussion of the problem at the U.N. Security Council to be procrastinated. It has thrown a snag in the way of the return of all the expelled Palestinians, applying a "double standard" to international relations in such a manner as to put pressure on a country on behalf of the United Nations while closing its eyes to another country which should face sanctions. Such acts of the United States are unreasonable.

The steps to bring all the deportees back home must be taken quickly.

Anniversary of Ties With Azerbaijan Marked

SK3001112993 Pyongyang KCNA in English 1026 GMT 30 Jan 93

[Text] Pyongyang, January 30 (KCNA)—Papers here today observe the first anniversary of the establishment of diplomatic relations between Korea and Azerbaijan.

A signed article of NODONG SINMUN recalls that on January 30, 1992, Korea and Azerbaijan established diplomatic relations at ambassadorial level out of a desire to develop friendly and cooperative relations between the sides on the basis of the principles of independence, equality, reciprocity and noninterference in each other's internal affairs.

The article says:

This marked a significant occasion in developing friendship and cooperation between the peoples of the two countries to a new height.

Over the past one year the Korean and Azerbaijan peoples have made every effort to develop their friendly relations. Mutual understanding has deepened and a foundation is being laid for the development of friendly relations in this course.

The Republic of Azerbaijan is exerting strenuous efforts to develop friendly and cooperative relations with many countries.

The development of friendly and cooperative relations between Korea and Azerbaijan conforms to the interests and aspirations of their peoples.

The Korean people will strive in the future, too, to develop this friendly relationship on good terms.

MINJU CHOSON says the Korean people believe that the friendly and cooperative relations between the two countries will grow stronger and develop in the future in accordance with the idea of independence, peace and friendship and in their mutual interests.

Anniversary of Relations With Moldova Noted

SK3001113493 Pyongyang KCNA in English 1019 GMT 30 Jan 93

[Text] Pyongyang, January 30 (KCNA)—Papers here today dedicate by-lined articles to the first anniversary of the opening of diplomatic ties between Korea and Moldova.

The establishment of diplomatic relations between the two countries marked a significant occasion as a reflection of the desire of the two peoples to develop friendly and cooperative relations in the idea of independence, friendship and peace, NODONG SINMUN says, and goes on:

Over the past one year the peoples of Korea and Moldova have made efforts to develop their friendly and cooperative relations and deepened mutual understanding.

To develop the friendly and cooperative relations between Korea and Moldova is in accord with the aspirations and interests of their peoples.

The Korean people will as ever strive to expand and develop these relations.

MINJU CHOSON says the Korean people wish the government and people of Moldova success in their future endeavours for the stability and development of their country.

Daily Stresses Army's Unity, 'Comradely Love'

SK1002102993 Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 8 Feb 93

[NODONG SINMUN 8 February special article: "Single-Hearted Unity of the People's Army Is Ever-Victorious"]

[Text] Our People's Army is our party's revolutionary Armed Forces and a reliable defender of the chuche revolutionary cause.

Today our People's Army is vigorously fighting with single-hearted unity with the respected comrade supreme commander and is excellently fulfilling its missions as the Army of the party, of the revolution, and of the people.

Twenty years ago, the great leader Comrade Kim Il-song published the classical work, The Unity Based on Revolutionary Comradely Love Is the Source of the Indomitable Might of the People's Army. This is a great historic event in strengthening the unity and might of the People's Army.

Our People's Army consolidated unity and cohesion of the entire Army in the past based on revolutionary sense of duty and the comradely love on the road indicated by the great leader. With this might, the People's Army firmly defended and protected the party, the revolution, the fatherland, and the socialist system by crushing the imperialists' challenge.

Our revolutionary practice and today's reality clearly proved that when the People's Army is rallied behind the party and the leader with single-hearted unity, it will have indomitable strength and be ever-victorious.

Today the entire Army is firmly rallied behind the respected supreme commander Comrade Kim Chong-il ideologically, consciously, morally and dutifully. This is a great pride of our People's Army and is a source of its indomitable might.

The unity and cohesion of our People's Army are the single-hearted unity with respected comrade supreme commander as its center based on the revolutionary sense of duty and on comradely love.

The great leader Comrade Kim Il-song has taught: Because all officers and men are united with each other based on comradely love and have attained unity and cohesion based on one ideology and one will, our People's Army is ever-victorious and indomitable.

Unity is the life of the revolutionary Army. The revolutionary Army, which was founded and led by the leader [suryong], is the Army of the leader and of the party which defends the leader's cause with armed forces.

Unless it is united with the leader, the revolutionary Army cannot maintain even its own existence nor can it fulfill its lofty mission.

As today's reality illustrates, the Army, no matter how enormous the military power and ultramodern combat technology and equipment it may possess, is destined to be powerless and to collapse if it fails to attain unity.

The unity of the revolutionary Army is, in essence, the unity with the leader and supreme commander as their center based on the revolutionary sense of duty and on comradely love.

From the outset, the founding, strengthening, and developing of a revolutionary army begin with the work of obtaining comrades and of realizing unity. Equipment and men are the factors for the work of armed forces. Of them, the men—comrades who pursue the same purpose—are the basis.

By obtaining weapons after comrades and by obtaining comrades after weapons, the revolutionary army is to be organized, expanded and developed with arms in its hand. This is a lawful process of the revolutionary army being strengthened and developed.

Therefore, without comrades and without comradely love within the ranks, there cannot be any weapon nor can we think of the revolutionary Army being strengthened and developed. For a revolutionary army, what cannot be purchased, even with a lot of money, is comrades and comradely love.

Comradely love on the road of revolution, which is full of trials, enables the revolutionary fighters to firmly unite with their leader and with their supreme commander and to share destiny with them. If warriors only have comradely love and a sense of duty, they can forge blood ties with each other with their leader as the center and can fight to the end by overcoming all trials, no matter how long such a fight may continue. Thus, they can block the enemy's firing with their own bodies and can sing a revolutionary song even on the scaffold, thus firmly remaining true to their principle.

Today our People's Army is filled with a lofty revolutionary sense of duty and comradely love. The sense of duty and comradely love that are being demonstrated in our Army are the boundless loyalty to advance by upholding the respected supreme commander Comrade Kim Chong-il to the end, and genuine comradely love between commanders and soldiers and between comrades themselves who pursue the same purpose and share the same destiny.

Because there is such a sense of duty and comradely love, blood ties that cannot be severed have been consolidated between the respected comrade supreme commander and all officers and men of the People's Army, and the unity and cohesion of the entire Army today has reached the highest point.

Last year the eight brothers of Pak Yong-chol, all officers of the People's Army, sent a letter to the respected comrade supreme commander pledging that they will become eight rifles and eight bombs to defend the respected comrade supreme commander. Comrade Kim Chong-il sent a reply saying that our party, which has such fighters like them who are endlessly loyal to the party and to the revolutionary cause, is ever-victorious and indomitable. This is a lofty picture showing that comrade supreme commander and our Army are firmly united based on a sense of duty and comradely love.

By upholding the respected comrade supreme commander, our People's Army realized strongest and firmest unity in its development history, and for this, it is demonstrating its pride as the Army of the party and of the leader.

Look at our Army! It is advancing forward courageously in high spirits by proudly singing the song, We Are The Matchlessly Strong Army of Comrade Leader! This is a proud countenance of our Army today.

Our People's Army is, above all, a firm, ideologically and consciously unified body based on faith and the will to defend respected comrade supreme commander with its life. The Army consists of units that hold arms in hand. Therefore, its faith and will should be stronger than any others.

The unity of the revolutionary Army is the unity of faith and will and its firmness depends on staunchness and firmness of the Army's faith and will.

If the Army's faith and will to uphold the party and the leader wavers, its unity will be broken and the revolutionary cause will suffer trials. No matter how seriously circumstances and conditions may change, and no matter how difficult a situation may be created, what the revolutionary Army should defend tenaciously is faith and will.

From the beginning, faith and will are the lifeline of a revolutionary army. Warriors should wage death-defying battle against the enemy and should go through fire and water if so demanded by the fatherland. Therefore, if they lack faith and will, they cannot advance even a step forward nor can they win victory in a fight against the enemy.

Needless to say, the Army may launch an offensive or defensive battle against the enemy or may have to bear painful sacrifice. However, there should not be any change in its faith, and the Army should remain unswervingly consistent regardless of its circumstances and conditions.

Victory in combat is victory of faith and will, and defeat in combat means defeat in faith and will. Today, the faith and will of our People's Army is thoroughgoing and unswerving. Our Army's faith is the firm belief that our revolutionary Armed Forces led by respected comrade supreme commander will win victory without fail and is a death-defying determination to fight by willingly dedicating its youth and life if so demanded by the party and the leader. This faith is a spirit of unswerving struggle to go through fire and water by all means.

It is a revolutionary trait of our Army to attain and strengthen its unity with comrade supreme commander by cherishing such revolutionary spirit. Because we have comrade supreme commander, we will be ever-victorious is the slogan of faith which our Army is highly upholding.

The unswerving revolutionary spirit displayed in Paektu forest in the early days and faith and will not to part from the great general's bosom even after death have been cherished deep in the hearts of officers and men of our People's Army.

Hero Han Yong-chol defended the great leader's portrait and rescued comrades by covering an exploding grenade with his own body. His lofty ideological and mental world clearly shows how firm and unswerving the faith of officers and men of our People's Army is.

There is no such army in the world as our Army, which overflows with ideological determination to dash forward as a human bomb and to dedicate youth and life to defend and protect its leader and supreme commander.

The thoroughness and firmess of the faith and will of our People's Army is clearly demonstrated in firmly defending the revolutionary outposts assigned by the respected comrade supreme commander.

Their native towns, assigned missions, personalities, tastes, and careers of military service are different from each other. However, each one is filled with the desire to uphold the respected comrade supreme commander more satisfactorily and to fulfill his missions as a fighter of comrade leader.

Because such iron-clad faith and clean will are filled in the entire Army, our People's Army is strong, and no enemy can provoke it. This illustrates that our Army's faith and will, which are demonstrated not only in time of war but also today, will not change whatever stormy wind may blow in the future.

Our Army's faith and will is more solid than iron and hotter than fire, and is invariable like gold. Just as heroes Kim Chin and Yi Su-pok who blocked enemy's bullets with their bodies, every soldier of our People's Army is firmly prepared ideologically to fight like the phoenix by loudly shouting, Hurrah for dear leader Comrade Kim Chong-il!

Our People's Army is a mighty combat unit overflowing with revolutionary military discipline to accomplish the ideas, intentions, orders, and directives of respected comrade supreme commander unconditionally and to the end.

The unity of the revolutionary Army lies in military discipline. The revolutionary military discipline is the life of the Army and a source of might of unity. Only the Army, in which revolutionary military discipline is established to thoroughly accomplish ideas, intentions, orders and directives of comrade supreme commander without a slight degree of deviation by heartily accepting them, can be a strong, powerful combat unit, and can win victory by breaking through all difficulties. This Army will become one flesh which unanimously moves according to only one commanding baton [hanaui chihwibong].

The revolutionary military discipline is a lofty outlook of the revolutionary Army. The revolutionary military discipline, which is established thoroughly on the basis of intense self-consciousness [chaganksong] and self-awareness [uisiksong], is the characteristic nature of the revolutionary Army which basically distinguishes itself from the imperialist aggressor army which is being maintained in a repressive manner.

Only when revolutionary military discipline is established in the entire Army, can the Army thoroughly maintain its revolutionary nature and easily smash the enemy, no matter how strong it may be.

Today the revolutionary military discipline to move under the wise leadership of the respected comrade supreme commander has been thoroughly established in our People's Army.

The revolutionary military discipline of our Army is, in essence, the spirit of absoluteness and unconditionality to thoroughly accomplish ideas, intentions, orders and directives of the respected supreme commander Comrade Kim Chong-il without a slight degree of deviation. This discipline is a revolutionary discipline and order to unanimously think and move according to his ideas, intentions, orders and directives. Because such military discipline is established in our People's Army, it is demonstrating a great pride in being a strong Army.

For our People's Army, ideas, intentions, orders, and directives of the respected comrade supreme commander are a basic guideline in all military activities. When commanders of our Army command their units and organize combat and political training, they begin with the idea as to how they can carry them out according to the intention of comrade supreme commander. All commanders and soldiers are implementing the orders and directives of comrade supreme commander thoroughly and timely by going through fire and water.

The noble idea and sentiment that victory and honor are laid on the road of fighting indicated by the respected comrade supreme commander and that no life is more precious and brilliant than the youth dedicated to this road is overflowing in our Army and has become their lofty spiritual world. For this, there was no minor bargain [hungjong] over the party's order and directives. Our Army is excellently carrying out all tasks, no matter how grave they may be.

The revolutionary Army regards it as a lofty mission to voluntarily observe discipline and order. Today our People's Army has become a monolithic united body which unanimously thinks and moves according to the orders and directives of the respected comrade supreme commander.

The ideas, intentions, orders, and directives of comrade supreme commander are being infiltrated into the entire Army timely, promptly, and correctly and the entire Army is breathing and moving only according to the intentions of the party and the leader.

From the beginning, the Army is a unit which acts based on discipline and order. There is no such army as our Army in which strong discipline and order are established.

Today the revolutionary military discipline in our People's Army has not been established merely by a sense of certain military duty or by an order. This discipline is based on one's absolute trust in and endless loyalty to the party and the leader after keenly realizing the greatness and sagaciousness of the leadership of the respected comrade supreme commander.

The army in which such revolutionary military discipline is established will not waver no matter what trial may arise. Such an army will defend and protect the party and the fatherland to the end by dedicating its life.

Our Army's military discipline is indeed mighty and vital. Our Army is firmly prepared to rise as one by firmly holding guns in hands to exterminate the enemy according to the orders of respected comrade supreme commander.

Our People's Army is a proud revolutionary army which is blooming the beautiful customs of unity between officers and men, unity between party members and members of the League of Socialist Working Youth of Korea [LSWYK], and military-civilian unity.

Unity of the entire Army can be realized only when all soldiers are firmly united with revolutionary sense of duty and comradely love based on blood ties between comrade supreme commander and officers and men.

In order for one to command a great number of soldiers and to ensure their united actions, one should have a chain of command and organizational nature and discipline should be thoroughly guaranteed.

However, what is more important than this is ideological and conscious unity between commanders and soldiers and unity between seniors and juniors, who constitute the Army, and their firm blood ties. This unity can be realized only by unity between officers and men and unity between party members and LSWYK members.

Unity between officers and men and unity between party members and LSWYK members is, in essence, ideological unity between commanders and soldiers and between party members and LSWYK members, and is a firm combination of sense of duty and comradely love.

When the comradely love of those who pursue the same purpose and share destiny on the road of revolution is brought into bloom, blood ties between commanders and soldiers and between party members and LSWYK members can be forged, and unity and cohesion of the entire Army can be realized.

Unity beween officers and men and unity between party members and LSWYK members is a slogan of unity which can be highly upheld only by our People's Army which advances by upholding only the respected comrade supreme commander. This unity serves as a precious ideological and mental source enabling our Army to further strengthen its might.

Unity between officers and men is a lofty outlook of our People's Army. On the road of upholding the respected comrade supreme commander, all soldiers, ranging from generals and officers to plain soldiers, are equal revolutionary fighters and comrades-in-arms who fight in the same trenches.

Although military titles and duties assigned to each one are different in our Army, all love each other like their own offspring. In our Army, soldiers respect and follow their commanders just as their own brothers and sisters while commanders regard their soldiers as their own younger brothers and take warm care of them.

It is a common phenomenon seen in our People's Army today to rescue one's comrade from danger by willingly offering one's youth and life for the precious revolutionary comrade.

A commander unhesitatingly threw himself under a dashing car to rescue the lives of his soldiers, and fighters covered up a blasting mine with their own bodies to save their commander. The sense of sacrifice and warm comradely love is overflowing in the entire Army.

The brilliant realization of unity between party members and LSWYK members is a proud outlook which can be seen only in our Army. Members of the Workers Party in our People's Army are playing a key role both in fulfilling military missions and in ordinary work and life.

It is the firm life motto of our party members to become true WPK members, loyalists, and dutiful children to the comrade supreme commander as was Kang Yon-ok, the heroine of the revolutionary opera The True Daughter of the Party. Therefore, the People's Army has the true political functionaries and old party members who rescued the great leader's portrait at the cost of their lives and the true party members who defended their guardpost till the last moment of their life though they knew they had contracted a mortal disease.

These exemplary deeds of the party members greatly move the LSWYK members, encouraging them into new struggles and exploits. Our party members correctly educate and lead the LSWYK members daily, and the LSWYK members are preparing themselves firmly to be one-a-match-for-a hundred revolutionary fighters as the revolutionary vanguards following the example of the party members. Because the party members and the LSWYK members are firmly assured of their positions, the entire Army is filled and overflows with the ideology and intent of the respected and beloved comrade supreme commander, the revolutionary features are strongly displayed in our Army.

The wholehearted unity of our People's Army is becoming even mightier today as the idea of the unity between the Army and the people is brilliantly embodied. In order for the revolutionary Army to win victory in the battle against the enemy, the Army should strive for stronger bonds of kinship with the people. The Army's bonds of kinship with the people is the duty of the revolutionary Army and the source of its invincible strength. Since the revolutionary Army consists of the sons and daughters of the workers, farmers, and intellectuals, the unity of the Army is unthinkable apart from its bonds with the people. The Army's bonds of kinship with the people bring forth the invincible unity of the entire Army.

The great leader Comrade Kim Il-song, who founded the idea of Army-people unity, brilliantly embodied it in the anti-Japanese revolutionary struggle era. Our People's Army is the army which has inherited—upholding the great leader's teaching that our People's Army cannot live apart from the people any more than fish does apart from water—the tradition of the idea and tradition created in the anti-Japanese revolutionary struggle era.

The idea and tradition of Army-people unity is brought to fuller bloom under the leadership of the respected and beloved comrade supreme commander today. To protect people's life and property, the People's Army is ready to plunge into water and fire. The People's Army loves the people at any time and at any place. This is the revolutionary ethos of our People's Army today.

The soldiers of our Army, receiving bonus leave, volunteer to go to coal mines, mines, and rural areas instead of going to their homes. The soldiers of our People's Army not only demonstrated this beautiful deeds but created heroic exploits of saving drowning children at the cost of their lives and displayed self-sacrificing struggle spirit of saving the people's lives and property by blocking a hole in the breaking bank.

There is no army in the world that struggles as our Army does going through fire and water to love the people and protect the people's lives and property. Because our Army devotes everything to the people, our people do everything they can for the Army, proudly calling the People's Army the comrade supreme commander's fighters. Thus, the virtue of Army-people unity is in full bloom in our society, and our Army is strengthening its combat strength in every way with the people's active support for it.

Today our People's Army has become invincible, revolutionary armed forces with a wholehearted unity based on revolutionary fidelity and comradeship entirely because it upholds the great leader [widaehan yongdoja] as its supreme commander.

The fate and future of the revolutionary Army depends on the leader [suryong] and the leader [yongdoja]. The leader [suryong] founds and strengthens and develops the revolutionary Army. The cause of firmly equipping the revolutionary Army politically and ideologically and achieving the wholehearted unity of the entire Army, as well as the work of strengthening the revolutionary Army in terms of military technology, is brilliantly realized by the leader's [suryong] leadership. The Army without the leader's leadership is an undisciplined mob. The Army of this nature cannot win the struggle against the enemy. Furthermore, under the present condition where the imperialists threatens weak nations militarily with force of arms and openly wage aggression, the Army cannot become a strong army with wholehearted unity without the wise leadership of the leader.

Our People's Army—which was founded by the great leader and which has traversed the ever-victorious road—has been greeting the most glorious time for its development because it upholds the dear leader Comrade Kim Chong-il as the KPA supreme commander. The KPA Supreme Commander Comrade Kim Chong-il is the great brilliant commander who has brought up our revolutionary Armed Forces to be an ever-victorious invincible strong army by brilliantly inheriting and developing the chuche-type army building cause for a long time. The comrade supreme commander has clearly elucidated all the problems arising in army building and army activities, wisely leading the struggle to realize it, and gives his great love and consideration for all the officers and men of the entire Peoples' Army. Because they had this great bosom, the old fighters who marched through the arduous and long anti-Japanese struggle are keeping up with the revolutionary cause with everlasting political life, and the old soldiers of the Fatherland Liberation War and the new generations of youths who stand with a rifle at the guardpost where their parents stood are being brought up to be the loyal revolutionary fighters.

Today all the officers and men of our People's Army are filled with the great pride in being the fighters of the respected and beloved comrade supreme commander. They are filled with burning resolve to add luster to this honor and pride to the end even at the cost of their lives. Thus, the respected and beloved comrade supreme commander and the officers and men of the People's Army are firmly connected in bonds of kinship in the practicing struggle. These bonds are even more firmly solidified with the advance of the revolution.

Our People's Army is always victorious because it is united in a single mind around the respected beloved comrade supreme commander.

The decisive factor influencing the issue of a war is not a certain arm or technology. A war is not a simple confrontation of arms versus arms, but a confrontation of man versus man who handles them and a confrontation of ideology versus ideology, as well.

The Army's ideological resolve and its unity greatly influence the issue of a war. The revolutionary army that is firmly united around the party and the leader and is devotedly fighting for the sake of its fatherland and people can be an ever-victorious army capable of smashing any enemy no matter how superior it is in numbers or in military technology.

Today, the imperialists are loudly talking of their superiority in armament and military technology and behave haughtily. However, they can never match the invincible might of the revolutionary army united in single mind around its leader and its supreme commander.

The army with single-hearted unity is more powerful than any nuclear weapon. The enemies that our Army faced in the past were all strong and superior beyond comparison in numbers and in military technology.

During the anti-Japanese revolutionary struggle, the Korean People's Revolutionary Army [KPRA] had to fight against the Japanese imperialists, which were desperately trying to become the leader of Asia, without backing or support from the state. And during the Fatherland Liberation War, our innocuous People's Army had to fight against the U.S. imperialists which was highly proud of its strongest power in the world.

However, our Army has never shrunk or hesitated in battles with enemies and has always won victories. This was not because our Army was superior in numbers or in military equipment to that of our enemies. Because it fought at the risk of its life while being united in a single mind around the party and the leader, our Army could directly confront all strong enemies and could demonstrate its ever-victorious, majestic air.

The KPRA men could victoriously overcome the 100-day painful march in the thick forest of Mt. Paektu despite severe cold, hunger, and the enemy's persistent encircling and hot chase, because they fought with will and determination to protect and defend the great general at the risk of their lives.

The heroic fighters in Wolmido could create a military miracle that they fought with only four guns against the U.S. imperialists' 50,000-strong force because they had the firm faith that there is certain victory on the road following the respected and beloved comrade supreme commander.

The Army, which has firm faith and is united in a single mind around the leader, can win a battle against any strong enemy. This is a truth that can never change.

The single-hearted unity of our People's Army upholding the respected and beloved comrade supreme commander is the source of the invincible might of our party and people. Also, it is the strong fort of the socialism of our own style.

Thanks to our faithful People's Army united in a single mind, our people are successfully building the socialism of our own style while sternly smashing the imperialists' antisocialist offensive.

Due to the new war provocation maneuvers by the U.S. imperialists and South Korean puppet clique, today's situation is more tense and more complicated than ever.

However, enemies cannot dare to haughtily run wild in front of our People's Army. Our People's Army does not speak empty words. It is a dignified invincible armed force that never allows its right to independence and its dignity to be infringed.

Today, the might of our revolutionary Armed Forces has been strengthened beyond comparison. They uphold the ever-victorious, iron-willed sagacious general, and the entire Army is united in a single mind with revolutionary sense of duty and comradeship. Also, all the people actively support our Army. Therefore, it has nothing to be afraid of.

Our People's Army is advancing, united in a single mind around the respected and beloved comrade supreme commander, has fought to win battles in the past, and will be ever-victorious in the future.

Kim Chong-il Treatise on Architecture Studied

SK1002120493 Pyongyang KCNA in English 1041 GMT 10 Feb 93

[Text] Pyongyang, February 10 (KCNA)—A seminar on the dear leader Comrade Kim Chong-il's classical work "On Architecture" was held here today.

"On Architecture" published by Comrade Kim Chong-il on May 21, 1991 scientifically expounds the lawful process of the development of architecture, the mission and features of socialist and communist architecture, the basic principle and creative theory which the working-class party should maintain consistently in architectural creation, the unique idea and theoretical and practical questions in architectural formation, the improvement of the ability and quality of the architects, the party and administrative guidance over architecture, etc.

"On Architecture" is an encyclopedic work which comprehensively systematizes and consummates the outstanding idea and theory on architecture and method of its guidance on the basis of the great chuche idea, said those who took the floor at the seminar.

The publication of the work set a milestone in developing chuche architecture to a new, higher stage, they said.

They noted that the dear leader wisely guided the work to develop architecture in a chuche-oriented way, giving a unique exposition of all problems in architecture and the theoretical and practical principles.

The work propounds the unique idea and theory that the leader's guidance should be ensured in the creation of socialist and communist architecture and that architecture should contribute to the leader's revolutionary cause, the speakers said.

The new development of architecture in Korea is firmly guaranteed by "on architecture," an encyclopedia of the ideas and theory of the architectural creation and construction, they added.

They emphasized that all the architects should equip themselves firmly with the chuche-based ideas and theories on architecture set out in the immortal classical work of the dear leader, build monumental edifices of Korean style in larger numbers and defend and exalt the imperishable exploits performed by the Workers' Party of Korea in guiding the construction work.

KCNA Reviews 11 Feb Pyongyang Press

SK1102073993 Pyongyang KCNA in English 0506 GMT 11 Feb 93

[Press review]

[Text] Pyongyang, February 11 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il-song met with the delegation of the Norwegian Communist Party (NCP) and the news that the dear leader Comrade Kim Chong-il received a gift from the Central Committee of the NCP.

Given in the press is a message of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to Iranian President Akbar Hashemi-Rafsanjani on the occasion of the 14th anniversary of the victory of the Islamic revolution in Iran.

NODONG SINMUN carries letters to President Kim Il-song sent by Mohamed Belhaj Ammar, general secretary of the People's Unity Party of Tunisia, and from Eric Trevett, general secretary of the Central Committee of the new Communist Party of Great Britain, supporting the Korean people's cause of national reunification.

Comrade Kim Chong-il sent thanks to the three-revolution team members in Thaethan county, South Hwanghae Province and officials concerned who set an example in training agro-technicians, says the press.

It is reported in NODONG SINMUN that functions were held in various countries on the occasion of the birthday of Comrade Kim Chong-il, foreigners who visited Mt. Paektu praised His Excellency Kim Chong-il as a peerless great man born with the spirit of Paektu and the Indian magazine "forum of students" carried the brief history of his revolutionary activities.

Seen in the press is an account of a seminar on "On Architecture", a classical work of Comrade Kim Chong-il, held in Pyongyang.

Figuring large in MINJU CHOSON is an article titled "The Dear Leader Comrade Kim Chong-il is a great leader who victoriously hews out bright road of socialist Korea".

NODONG SINMUN runs an article on the imvortal exploits of Comrade Kim Chong-il who has reared the Korean people into a revolutionary people strong in the spirit of independence.

An article of the daily deals with the deep care of Comrade Kim Chong-il for colliers of the February 8 Jikdong youth coal mine in South Pyongan Province.

It is reported in the press that a central photo exhibition, ten-day film show and fine art exhibition opened on the occasion of the February holiday and the Egyptan ambassador to Korea arranged a party on this occasion.

Papers carry economic news and articles showing the faith of the Korean people to advance forever along the road of loyalty with the party.

NODONG SINMUN carries a commentary condemning the United States and the South Korean authorities for staging frantic war exercises against the North and the information No. 620 of the secretariat of the Committee for the Peaceful Reunification of the Fatherland.

The "Team Spirit 93" joint military exercises of the United States and the South Korean authorities are bitterly denounced in various countries, says the press.

NODONG SINMUN in an article exposes the joint military maneouvres as a war gamble for a sinister purpose.

The daily denounces the deportation of Palestinians by Israel as an unreasonable behaviour of ruthlessly infringing upon human rights.

The press reports that Fidel Castro declared Cuba would not abandon the socialist plans and idea, the Ugandan president called for settling the debt problem of developing countries, the Egyptian president laid stress on the necessity of social stability and the president of the United Arab Emirates appealed for unity among Arabs and Muslims.

The press observes the 14th anniversary of the victory of the Islamic revolution in Iran.

NODONG SINMUN runs an article captioned "reactionary nature and viciousness of imperialist ideological and cultural infiltration".

South Korea

Seoul To End Semiconductor Import Tariffs

SK1102003893 Seoul YONHAP in English 0019 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—South Korea will scrap its 9-percent tariff on semiconductor imports to avoid a final U.S. dumping ruling on Korean semiconductors slated for March 15, government officials said Thursday.

As the Seoul-Washington semiconductor negotiations bore no fruit, the government would do away with the tariff at the request of the Korean semiconductor exporters charged with dumping in the U.S. market, officials from the Finance and Foreign Ministeries said.

In a final effort to persuade the U.S. administration to suspend the anti-dumping investigation against Korean products, a government delegation is now in Washington to seek a semiconductor agreement between the two countries.

Samsung Electronics Co., Goldstar Electron Co., and Hyundai Electronics Co. were slapped with provisional dumping tariffs of between 87.4 percent and 5.99 percent at the preliminary finding on Oct. 21 last year.

Of Korea's 5.4 billion U.S. dollars of semiconductor imports in 1992, 2.5 billion dollars worth were from the United States. It has yet to be seen if Washington will drop its anti-dumping penalties on Korean exporters just because of Seoul's no-tariff decision on semiconductor imports, the officials said.

Ministry Notes U.S. Decision on S&T Agreements

SK1102090193 Seoul YONHAP in English 0841 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—The United States has notified South Korea that it won't implement the Patent Secrecy Agreement (PSA) and the Scientific and Technical Cooperation Agreement (STA) signed more than a year ago until Seoul is ready with satisfactory mechanisms for patent protection, a Foreign Ministry official said Thursday.

Washington demands more specific measures than those in the agreements to guarantee secrecy since the patents, especially those covered by the PSA, involve military secrets, and it wants ways to resolve violations, he said.

Negotiations among the Defense, Foreign, and Science and Technology Ministries began after the U.S. notification late last year, but officials admit that the internal procedures will take a considerable time.

"We will be unable to start talks with the U.S. side until the inter-ministerial negotiations are finished," the official said, adding that he could not say when that would be. And since the talks with Washington require special channels, they will be even slower than the internal procedures, he said.

The two agreements were signed in January last year, during U.S. President George Bush's visit to Seoul. The National Assembly has approved the two pacts, but Washington has yet to ratify them.

Seoul and Washington had already signed an STA in 1976, but the U.S. side let it expire in 1988, demanding the PSA for better protection. The new STA itself has two annexes on intellectual property, covering copyrights and inventions, and pledges the two parties to ensure "adequate and effective protection" and security obligations. Seoul had then insisted on a broader interpretation of protection based on international agreements.

Editorial Reminds U.S. of Trade Order Responsibility

SK1102100293 Seoul HANGYORE SINMUN in Korean 10 Feb 93 p 2

[Editorial: "Order in International Trade and Superpowers' Responsibility—They Must Pursue Long-Term Development, Rather Than Interest at Hand"]

[Text] The United States has been stepping up its offensives in foreign trade. It has been doing so in spite of the possibility that this may completely destroy order in international trade. Such an indication had emerged even before the Clinton administration was sworn in and now has become a reality. It sounds like the United States is saying that it will launch strikes because it has already declared a war. It has given a preliminary ruling on dumping charges for imported steel products. The U.S. Government has banned purchases of EC-made communications equipment. U.S. auto makers have also demanded that antidumping tariffs be levied on imported cars. And, the U.S. Congress has presented a bill to revive the so-called Super 301 provision of the U.S. trade bill. In a word, the administration, businesses, and Congress have been launching all-out offensives. All of this has taken place in a mere two weeks since the new administration was sworn in.

The U.S. trade representative has recently said that national security and economic growth are directly linked and that the United States would ask its trading partners to open their markets as wide as it does. The commerce secretary, as well, has said that a way to establish fair trade between the United States and its trading partners is verify whether international trade is pursued in compliance with the U.S. trade bill. We cannot understand what the United States meant when it says that its trading partners must open their markets as wide as it does. We cannot understand, either, why the U.S. law must be a yardstick in promoting international trade. Anyway, as a matter of fact, we feel uneasy at these all-out offensives. When we think that this is what the collapse of the hostile socialist bloc has brought about we have mixed feelings. We are saying this because it is natural that the United States build peace and justice on the ruins of the socialist bloc. Rather, they are inspiring struggles and retaliations.

The Clinton administration's indiscriminate offensives in trade do not make any sense. They are wrong in two aspects:

One is the fact that the United States has run enormous budget deficits. It even recorded negative growth the year before last. The United States incorrectly diagnosed the recession and went in the wrong direction to find solutions. As a result, the United States believes that the recession was caused by unfair international trade. As is well known, to achieve an economic recovery the United States has tried to expand expenditures at the risk of growing budget deficits. This definitely will further widen the budget deficit. It is difficult for the United States to allay the suspicion that the trade offensives are a byproduct of its "political intention" to blame international trade for domestic problems and, thus, give comfort to its citizens. If this is true, it will be difficult for the United States to solve its problems.

The other is that the consequences from the rupture of the order in international trade are enormous. It is no exaggeration to say that a world trade war has already started with a U.S. preemptive strike and that it has turned into a dog fight in the mud. The EC has declared an all-out confrontation with Japan over car imports and Japan is scheduled to levy antidumping tariffs on imports from developing Southeast Asian countries. Superpowers' selfishness as such has already relegated the GATT's arbitration or the Uruguay Round of negotiations to the back burner. Such conflict and discord will bring about nothing but the collapse of the order in international trade and the resultant contraction and retrogression of the world economy. This is a foolish act of abandoning long-term development in favor of short-term interest. We again urge the superpowers to fulfill their responsibility of maintaining order in international trade.

IAEA Requests 'Special Inspections' in DPRK

SK1102120293 Seoul YONHAP in English 1151 GMT 11 Feb 93

[Text] Berlin, Feb. 11 (YONHAP)—The International Atomic Energy Agency (IAEA) has formally resolved to carry out special inspections of North Korean nuclear facilities as Pyongyang rejected IAEA plans to look into specific nuclar facilities there. The special probes, if actually take place, would be the first of its kind ever conducted by the IAEA.

IAEA Spokesman David Kyd said Thursday the IAEA had adopted a plan to conduct special inspections of North Korea. He said the decision was made through consultations between IAEA Director-General Hans Blix and IAEA board of governors countries.

"Based on the decision, a formal message was prepared and has already been flashed to North Korea," Kyd said. The spokesman said the message urged North Korea to accept special inspections of the nuclear facilites in Yongbyon. But, he did not say if the message contained any deadline for Pyongyang's response.

Kyd said it is possible that a special board of governors meeting would be convened next week to discuss matters related to the special inspections of North Korean nuclear facilities and the possible taking of North Korea's nuclear issue to the United Nations. A final decision with respect to the possible special board meeting will be determined by Feb. 15, he said.

Meanwhile, an observer said it is highly possible that the IAEA set Feb. 15 as the deadline for North Korea's response to the IAEA demand.

The observer said that if North Korea fails to accept the IAEA Director-General's demand forthwith, Pyongyang would be asked once again through a special board meeting's decision. If the North rejects the repeated demand also, then the IAEA would go through the step of taking the case to the United Nations, he said.

Meanwhile, a North Korean embassy official in Vienna who is charged with IAEA programs, suggested they would not accept such special inspections readily. "It is not that we can unconditionally let them see everything they want to see," said the official.

During the sixth IAEA inspection that ended last week, the IAEA team asked North Korea to accept a visit by a senior IAEA official to two facilities suspected of being storages of after-use nuclear fuel or nuclear waste. But, North Korea rejected the visit on the ground that the facilities at issue were military installations.

An IAEA official stressed that an inspection of the two facilities is extremely important, linked to the production of plutonium, the raw material of nuclear arms.

North Korea continues to apply a limit to IAEA inspections of some facilities, especially those related to the production of plutonium. For instance, they, on the ground of safety reasons, refused IAEA inspection teams' plan to obtain samples of the nuclear fuel of their atomic reactors at Yongbyon.

North Korea insisted that all the plutonium they obtained was a meager amount taken from damaged nuclear fuel of an experimental reactor at Yongbyon, and that nuclear fuel was never changed at their atomic reactors. However, experts suspect North Korea had changed nuclear fuel on many occasions. Plutonium is extracted from used nuclear fuel.

More Pressure on DPRK

SK1102102193 Seoul YONHAP in English 1010 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—South Korean Prime Minister Hyon Sung-chong said Thursday that measures were being worked out to step up pressure on North Korea to stop its nuclear development program.

The government would make "every available effort" in close cooperation with member nations of the board of governors of the International Atomic Energy Agency to solve the North Korean nuclear issue, Hyon told an interpellation session of the National Assembly in response to questions by lawmakers.

Touching on inter-Korean disarmament, Hyon said reduction of military strength by South Korea without an accompanying basic change in North Korea's counter-South communization strategy was feared to widen the military gap between the two Koreas and give decisive momentum to invite a North Korean misjudgement.

"Our military strength should be maintained at an appropriate level," the prime minister said. North Korea had failed to show a positive response to the South's proposal for a summit "but considering the internal and external circumstances, I think North Korea will respond to it some day," he said.

On the question of reorganizing the Agency for National security planning (NSP), Prime Minister Hyon said that "in view of our unique security environment, the NSP cannot be reorganized in a way that substantially downgrades its function and organization." Hyon said that the NSP's activities should be centered on anti-communist programs.

"But, the NSP's activities in the areas of economy and science-technology, too, should be respected inasmuch as intelligence organizations of many countries step up their programs in these fields," he said.

The premier flatly denied the press reports that "senior South and North Korean officials had secret talks in Beijing late last year."

High-level officials of the Samsung and Lucky-Goldstar Cos. met North Korea's Deputy Premier Kim Tal-hyon in Beijing, said Hyon, adding that they were not secret talks since the meetings were authorized in advance by the National Unification Board.

Also testifying at the assembly session, Deputy Prime Minister and National Unification Minister Choe Yong-chol said the government would closely cooperate with international organizations and other countries in the effort to get North Korea agree on inter-Korean mutual inspection of nuclear facilities.

"But, if the North shuns mutual inspections to the end, we will deal with the issue from the aspect of guaranteeing our national survival and ensuring our national security," Choe said.

With regard to the question of Yi In-mo, a self-styled North Korean war correspondent in the South, the deputy premier said that at least at the moment, the government does not consider unilaterally repatriating to the North those with their families in the North who served long prison terms in the South.

He said Yi In-mo's issue should be understood as part of the dispersed family issue, not as any separate question of a specific individual.

Choe also said the government's firm stand is that it would be difficult to promote inter-Korean economic cooperation until suspicion about the North's nuclear arms development is resolved.

"But, we will under due legal procedures authorize simple exchange of commodities between the two sides or our businessmen's contacts with their North Korean counterparts in third countries," he said.

Foreign minister Yi Sang-ok said at the session that the government has notified the Organization for Economic Cooperation and Development (OECD) that conditions would be ripe for South Korea's entry into the OECD around 1996 when the present seventh five-year social and economic development plan ends.

Yi said the government plans to raise the issue of compensation for the victims of the ill-fated Korean airliner shot down by the Soviets in 1983 and other related issues such as the election of a memorial monument during future talks among countries related to the KAL incident.

He observed that the outcome of the current reexamination of KAL incident materials by the International Civil Aviation Organization (ICAO) would be made known in March or April.

Defense Minister Choe Sae-chang said in his testimony that there will be no further cutback of the military service period for conscriptees so long as there is no substantial change in the security situation.

He said the present plan to reduce the service period from 30 and 35 months to 26 and 30 months depending on service branches effective last Jan. 1 would remain in force at least until February 1995.

Asked by a Solon about possible introduction of military hardware from Russia, Choe said there has been no serious study of the issue between the two countries nor is there any policy determined in this connection.

Companies Prepare for DPRK Economic Links

SK1102083193 Seoul YONHAP in English 0537 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—South Korean companies are preparing for active economic cooperation with North Korea despite the many obstacles and risks, a National Unification Board survey said Thursday.

Businessmen say the government needs to publicize investment procedures and introduce such things as an investment guarantee and financial systems to encourage investment in North Korea, an NUB spokesman said.

They found the law on inter-Korean exchanges and cooperation was too complex and said it overregulated trade, though the very peculiar nature of South-North relations was taken into consideration, he said. NUB surveyed 81 firms interested in inter-Korean economic cooperation Dec. 5-Jan. 15.

He said that 72.8 percent, or 59 firms, have investment plans for the North, with North Korea sections or with staff in other divisions assigned to deal with it.

While 35.8 percent cited cheap labor as the biggest attraction of investment in North Korea, 31.7 percent listed securing a bridgehead to explore new markets and 18.7 percent said to contribute to early realization of national unification.

Labor-intensive light industry was the most promising field for inter-Korean economic cooperation among 67.2 percent, 13.4 percent fancied agriculture and 10.4 percent picked transportation and tourism.

The most desirable region for 38.9 percent was nampo, 17.6 percent picked Pyongyang and 11.1 percent Najin and Sonbong.

They preferred CMT (cutting, making, trimming) as a prior step to a joint venture (29.6 percent) over joint investment (24.5 percent) and joint investment-management (27.6 percent).

While 24.9 percent blamed the political instability of North Korea for obstructing investment, 24 percent listed the North's lack of credibility.

Improper guarantees on repatriation of investment worried 27.8 percent, followed by rigid bureaucratism (26.5 percent) and outdated price concepts in North Korea (18.7 percent).

On the North's 1984 joint venture law, 94.5 percent said they knew it, and 70 percent knew the new law enacted in October last year to attract foreign investment.

While 20.9 percent said exemption from tariffs would be the most effective lure for investment in North Korea, 20.4 percent listed simplification of immigration procedures and 19.1 percent picked tax reduction.

While 64.5 percent said investment or dividend payments in manufactured goods were agreeable to them, 30 percent wanted settlement in hard currencies.

Some 73 percent were displeased with a North Korean law that requires solution of commercial disputes under its jurisdiction or by an arbitration board, suggesting an independent organ of South and North Korea should be set up.

An overwhelming 93.3 percent said that North Korea would have no tangible success in bringing in foreign capital due to, among other things, irrational solution of commercial disputes, poor infrastructure, low credibility and a closed economy.

North Suspends Talks on U.S. Soldiers' Remains

SK1102024893 Seoul SEOUL SINMUN in Korean 11 Feb 93 p 2

[Report by correspondent Yi Chang-sun from Tokyo]

[Text] Japan's SANKEI SHIMBUN reported on 10 February from Washington that to protest the resuming of the ROK-U.S. Team Spirit joint military exercise, North Korea notified the United Nations Command in the ROK that it will suspend the on-going negotiations on returning the bodies of U.S. soldiers missing in action from the Korean war.

Quoting a U.S. Government source, SANKEI SHIMBUN reported as such. It also reported that the U.S. Government expects that North Korea will once again respond to negotiations on this matter in the spring, when the Team Spirit military exercise ends. It seems, however, that North Korea's negotiating channel with Western countries has been completely frozen.

Recently the North Korean side was notified by the ROK that "since the North side suspended talks on drawing up regulations for South-North Korean mutual inspection, the Team Spirit military exercise is inevitable." North Korea in protest announced that it would suspend the South-North dialogue. It showed, however, a sign of maintaining the channel of dialogue with the U.S. side, including the agreement to hold negotiations on 5 February in Panmunjom regarding those missing U.S. soldiers from the Korean war.

France Returns DPRK Diplomat's $2 Million

SK1102091793 Seoul CHUNGANG ILBO in Korean 11 Feb 93 p 2

[Report by Paris-based correspondent Pae Myong-pok]

[Text] A member of the North Korean mission in France was recently arrested by French customs authorities on suspicion of attempting to illegally take out foreign currency.

French customs authorities arrested O Kwang-chol, a section chief in North Korea's Foreign Trade Bank (deputy head of the Paris office of this bank), at Charles De Gaulle Airport in Paris in October last year. According to the authorities, O Kwang-chol attempted to take out $2 million in cash by hiding this money in a briefcase. Customs authorities booked him on charges of violating the Foreign Exchange Management Law and confiscated all monies in his possession.

French customs authorities verified that O Kwang-chol, prior to his attempt to illegally take the money out of France, contacted various banks in France in a bid to sound out the possibility of opening an account under a French name on the condition of depositing $4 million in cash. The banks, however, refused this, doubting the source of the money. Therefore, it seems that he was attempting to take this money to a third country. When O Kwang-chol was arrested he had an airplane ticket for Vienna. It was revealed that French customs authorities returned the confiscated money to him early last month after fining him about $200,000.

Unification Board Official Denies Kim Il-song Ill

SK1102023293 Seoul KBS-1 Radio Network in Korean 0210 GMT 11 Feb 93

[Text] Commenting on the report that Kim Il-song was serious ill, a high-ranking official of the ROK National Unification Board said today that this was not true.

This official said that Kim Il-song viewed a performance by the Pibada Opera Troupe on 7 February in Pyongyang and received a Spanish Communist Party delegation on 9 February and a Norwegian Communist Party delegation on 10 February.

This official also said that a careful examination of the television footage of Kim Il-song' delivery of the New Year address on 1 January and his visit to the bier of Yi Kye-paek, chairman of the Social Democratic Party, in late January shows that Kim Il-song is in good health.

DPRK Domestic, International Air Routes Noted

SK1102083293 Seoul YONHAP in English 0645 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—North Korea has 64 civilian passenger planes, 24 of them on five regular international routes, the Korea National Tourism Corp. said.

North Korea's three domestic routes include Pyongyang-Chongjin and it has five international routes—Pyongyang-Moscow, Pyongyang-Beijing, Pyongyang-Khabarovsk, Pyongyang-Moscow-Berlin and Pyongyang-Moscow-Sophia, the corporation said.

Pyongyang operates irregular charter flights between Pyongyang and the Japanese cities of Niigata and Nagoya.

On international routes it has eight AN-24s (50 seats each), four IL-18s (125 seats), six IL-82s (186), two TU-134-bs (72 seats) and four TU-154-bs (164 seats).

DPRK Offers PRC Entrepot Ports for ROK Trade

SK1102024793 Seoul YONHAP in English 0146 GMT 11 Feb 93

[Text] Tokyo, Feb. 11 (YONHAP)—North Korea has offered China the use of Najin and Chongjin, on the east sea, as entrepot ports for trade with South Korea, the SANKEI SHIMBUN reported Thursday. The Japanese daily quoted a Hong Kong newspaper as saying that Pyongyang had also proposed a masterplan on tourism development to China and Russia and resumption of travel between North Korea and China.

North Korea decided to turn to China and accept the Chinese call for port opening as it could no longer get cheap oil from Russia, the SANKEI quoted the WEN HUI BAO as saying. Relations beteen Pyongyang and Beijing cooled in the wake of the Beijing-Seoul normalization on Aug. 24 last year.

SANKEI observed that North Korea hoped to attract investment and tourists from South Korea and Japan by opening its far east. The Stalinist country named Najin a free economic and trade zone to invite 100-percent foreign investment, the SANKEI said. North Korea hopes to boost the sagging economies in Najin and Chongjin, which are doing slow trade with Russia, and to attract Japanese tourists by developing a route linking its east coast with Russia and China, the SANKEI commented.

DPRK To Adopt 'No-Visa' System for Free Trade Zone

SK1102011793 Seoul YONHAP in English 0001 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—North Korea, in a bid to encourage foreign investment, will allow foreign vessels and seamen to make port calls at Najin and Sonbong in the free economic and trade zone in the estuary of the Tumen River. South Korean Government officials said Thursday that North Korea is to adopt a no-visa system for foreigners visiting the free economic and trade zone.

North Korea has announced a set of new laws to induce foreign technological expertise and investment that include laws on foreign investment and taxation, foreign exchange management, and the free economic and trade zone.

These laws consist of 41 provisions and were passed by the standing committee of the Supreme People's Assembly. Any South Korean investor in North Korea would be the subject of these laws, the officials said, requesting anonymity.

According to the set of laws obtained by the South Korean officials, provision 23 provides that foreign vessels and their seamen, regardless of their nationalities, could land in the trading ports in the free economic and trade zones freely.

Provision 41 says that the North Korean government will carry out a no-visa system for foreigners visiting the free economic and trade zone.

Provision 18 provides that foreigners could invest, set up and operate enterprises in the zone while provision 20 specifies that foreigners and foreign enterprises could lease plots of land in the zone and they can extend the period of leases with approval of leasing authorities.

NAEWOE: DPRK Seeking Links to Western Technology

SK0602071793 Seoul YONHAP in English 0545 GMT 6 Feb 93

[Text] Seoul, Feb. 6 (YONHAP)—North Korea, which hopes to buy sophisticated foreign technologies, has been making endeavors to strengthen its exchanges with western countries and international organizations, NAEWOE press reported Saturday.

NAEWOE, Seoul's official North Korea watcher, quoted North Korean news reports as saying that Pyongyang was stepping up its exchanges with western countries and international organizations, and moving away from dependency on the Commonwealth of Independent States (CIS), China and East European countries. North Korea sent 2,930 people abroad for training last year, while inviting 1,900, up 8 percent from 1991.

By region, exchanges with western countries and international organizations increased to 54 percent, up 24 percent, while those with the CIS, China and East European countries slipped to 31 percent, down 28 percent, according to NAEWOE.

The trend is primarily attributable to the collapse of special relationships with its former communist friends since they demand hard currency for their technologies, NAEWOE said.

It said importation of technologies related to light industrial sectors such as textiles and footwear from Russia, Japan and China accounted for 20 percent, while those concerned with research and development of alternative energy and electronics from the United Nations Development Program and China took 13 percent.

In the field of electronics and telecommunications, 11 percent, North Korea imported such technologies as integrated circuits for computers and electronic switchboards from Germany, China and Bulgaria.

The communist country also imported technologies for automatic control systems and sophisticated machines in the machinery field, while bringing in building construction knowhow in other fields.

While Pyongyang wants to keep expanding the exchanges and importing more technologies, particularly from western nations, it faces a variety of problems due to a foreign debt of 3.46 billion U.S. dollars and its surveillance by the Coordinating Committee for Multilateral Export Controls (COCOM), NAEWOE added.

Student Leader Sentenced for Hoisting DPRK Flag

SK0902102993 Seoul THE KOREA HERALD in English 9 Feb 93 p 3

[Text] The leader of a student activists group was yesterday sentenced to four years in prison for masterminding the hoisting of North Korean flags at a college campus last year.

Tae Chae-chun, 23, chairman of Chondaehyop, or the National Council of Student Representatives, was found guilty of supporting Communist North Korea's unification policy while condemning the South Korean government's unification efforts during several campus demonstrations he initiated last year.

Tae acted "on behalf of North Korea" in his unification activities, and therefore he deserves harsh punishment, ruled the Seoul District Court.

Tae, who was elected Chondaehyop chairman in January last year, called for the hoisting of the North Korean flags at a demonstration at Konkuk University in Seoul, and exchanged facsimile messages with North Koreans without government authorization.

He was arrested in August on charges of violating the National Security Law, which bans South Koreans from unauthorized contacts with North Koreans and praising the Communist regime.

Tae served as chairman of the Seoul National University Student Council before being elected as Chondaehyop leader.

ROK-Japan Intellectual Property Rights Talks Fail

SK1102035693 Seoul YONHAP in English 0304 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—South Korea-Japan intellectual property rights talks unexpectedly failed Thursday over retroactive protection for pharmaceutical products, Foreign Ministry officials said.

Seoul proposed 60 products for retroactive protection, while Tokyo insisted on equal treatment with the European Community. Korea recognized more than 239 products for the EC, including pharmaceuticals already on sale, in an agreement reached in November 1991.

Tokyo reportedly refused Seoul's request for technology transfer, training and facility support unless Seoul increased the number of protected items, officials said. Seoul expected to conclude an agreement in this round of talks, their sixth. The two sides will meet again early next month.

President-elect Stresses Japanese Ties

SK1102081993 Seoul YONHAP in English 0505 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—South Korean President-elect Kim Yong-sam said Thursday that relations between South Korea and Japan were in serious condition and required parliamentary diplomacy.

He told 12 members of the Korea-Japan Parliamentarians Union and Korea-Japan Friendship Union that the traditional friendship with Washington and Tokyo, which is the backbone of Korean diplomacy, should be restored as soon as possible.

Noting that Japan has a cabinet government system, Kim urged them to step up diplomatic activities at a parliamentary level, promising that he would lend every assistance possible to help them in unofficial, behind-the-scenes diplomacy with Japan.

The 12 included Reps. Kim Yun-whan and Choe Hyong-u of the Democratic Liberal Party and Kim Chae-sun, a former National Assembly speaker and a party adviser who is Korean-side chairman of the union.

Officials: 'Comfort Women' Probe Before Japan Summit

SK0602073593 Seoul YONHAP in English 0634 GMT 6 Feb 93

[Text] Seoul, Feb. 6 (YONHAP)—The next South Korean administration will not pursue a summit with Japan until there is sufficient progress in Tokyo's probe and explanation of Korean "comfort women," government officials said Saturday.

"The public has to agree first that Japan has made sincere efforts to reveal the truth about the comfort women. A summit before such a public understanding is not recommendable," a well-informed official said.

Tokyo is expected to announce its second investigation results some time next month and they are likely to contain few new facts and figures about Japanese Government involvement in recruiting comfort women, this official said. It is still uncertain whether Tokyo will admit to using force in rounding up these women, he said.

There were 100,000 to 200,000 Korean comfort women who provided sex and labor for Japanese soldiers during World War II, when Korea was in its last years of Japanese colonial rule. Seoul wants Tokyo to openly admit that the Japanese Government used force in recruiting them. It plans to announce its own second investigation results, a follow-up to an announcement last July, after a more extensive material collection from the United States, China and other countries.

The Seoul government is to speed up internal compensation measures for comfort women survivors as soon as President-elect Kim Yong-sam takes office Feb. 25.

"There is an understanding between the current and next presidents and their aides that Seoul must provide compensation first, without waiting for Japan to take action," the official said.

"Problems are more clustered at working-level negotiations because of the budget for the compensation," he said. "As soon as the new administration steps in, the pressure will come from the top to secure the necessary budget."

Government compensation would cover the 103 known survivors who were taken as sex slaves to frontline brothels, providing them with about 10 million won each.

The Health and Social Affairs Ministry has already designated the 103 women eligible for monthly subsidies of between 50,000 and 100,000 won from this month.

To expedite the compensation measures, the directorship of the government task force on comfort women is soon to pass from the Foreign Ministry to the prime minister's office for easier budget coordination.

Vietnamese Premier To Visit Seoul in May

SK1102083993 Seoul YONHAP in English 0733 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—Vietnamese Premier Vo Van Kiet is to visit Seoul in May for discussions on economic cooperation between the two countries, Kim Sang-ha, chairman of the Korea chamber and commerce and industry, said Thursday.

Kim visited Vietnam with 40-odd Korean business leaders from Jan. 29 to Feb. 6 and met with the premier.

Labor-intensive industries, like textiles and machinery assembly, were prosperous in Vietnam, but overcompetition among Korean industries was likely so coordination by the government or an economic organization was needed, he said. Kim is also chairman of Korea-Vietnam economic cooperation committee.

PRC Maritime Delegation Arrives for Talks

SK1002065693 Seoul YONHAP in English 0559 GMT 10 Feb 93

[Text] Seoul, Feb. 10 (YONHAP)—A delegation from Penavico, China's largest shipping agency, is in Seoul to discuss ways of improving cooperation between the marine industries of the two countries, the Korea Shipowners' Association (KSA) said Wednesday. Zhang Anguo, Penavico's deputy general manager, met with KSA Chairman Cho Sang-uk last week and told him that the two sides could promote many projects jointly when a maritime agreement is signed by the two governments.

The five-member delegation from Penavico, which has 4,000 employees, 51 branches and 100 offices in China, is visiting shipping agencies and local port administrations.

Besides handling freight, Penavico, China Ocean Shipping Agency, is an agent for foreign maritime, air and rail transportation companies. It is one of China's three major shipping companies, COSCO (China Ocean Shipping Company) and Sinotrans (China National Foreign Trade Transportation Corporation).

PRC-ROK Ferry Ridership Down, Air Traffic Up

SK1102013793 Seoul YONHAP in English 0055 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—Ferry ridership dropped 14 percent in January between South Korea and China as airlines increased their flights, the Korea Maritime and Port Administration said Thursday.

The total of 6,980 passengers (3,810 arrivals and 3,170 departures) compares with 8,080 in January last year. Weidong Ferry Co., which sails between Inchon and Weihai, carried 3,880 passengers, down 31 percent from 5,600. Tianjin-Inchon (Jinchon) International Shipping Co. carried 3,100 people between Inchon and Tianjin, up 26 percent from 2,450.

Korea-China ferry routes opened in the second half of 1990 and passengers numbered 5,000 in 1990, 45,000 in 1991, and 53,000 in 1992. The drop in January was due to increased charter flights since the second half of last year, an industry source said.

On the bright side, the ferries carried 12,500 containers in January, up 68 percent from 7,400 a year earlier.

Hunchun Mayor Discusses Tumen River Development

SK0602010893 Seoul TONG-A ILBO in Korean 5 Feb 93 p 17

[Interview with Kim Min-ung, mayor of Hunchun, Yanbian Korean Autonomous Prefecture, China by correspondent Hwang Ho-taek—date and place not given]

[Text] Hunchun, the Yanbian Korean Autonomous Prefecture, China has attracted international attention because of the UN Development Program's proposed international development of the Tumen River. Kim Min-ung, the 55-year-old ethnic Korean mayor of Hunchun, arrived in the ROK on 3 February. He is scheduled to host meetings in Seoul, Pohang, Taegu, and Inchon to explain the investment environment of Hunchun. He will stay in the ROK for 15 days.

[Kim Min-ung] Hunchun has various favorable conditions for ROK businessmen's investments. ROK businessmen will have no difficulties in language: 48 percent of our 200,000 citizens are ethnic Koreans. In particular, high-level manpower with a monthly wage of 300 yuan (approximately $50) is available. We give foreign investors tax breaks for three years and 50-percent tax deductions for three years after that. Foreign investors can import machines and equipment completely tax-free.

[Hwang Ho-taek] Would you explain how ROK business companies are operating in Hunchun?

[Kim] In a joint venture with the Hunchun People's Government, the Tongil Textile Company of Iri established the Hunchun Ssangbangul Undershirts Company, Ltd. and are building a plant. Four to five ROK companies are about to sign contracts for investments in Hunchun. In addition to ROK companies, a total of 20 Taiwanese, Australian, U.S., and Hong Kong companies are about to invest in Hunchun.

[Hwang] Would you elaborate on Hunchun's exchange with North Korea?

[Kim] Hunchun borders with three North Korean counties—Saebyol, Sonbong, and Undok. And, 30,000 people and 200,000 tons of freight a year move along the road that links Shatuozi and Saebyol. We are negotiating with North Korea to reopen a railroad between North Korea's Hunyung and Qihudong of Hunchun that was disconnected after the liberation. We are also planning to open a road between North Korea and China's Fangchuan and Quanhe.

[Unidentified Hunchun official accompanying Kim] ROK businessmen's investments in Hunchun would consequently contribute to promoting North Korea's opening up.

The fact that Hunchun is a back region far away from ports for exports and is difficult to access is the most serious obstacle to our attracting foreign investments. However, the situation has been changing. The railroad between Tumen and Hunchun will open in late June. This railroad will be linked to (Makhalin) of Russia late this year. We leased (Charbin) port of Russia for 50 years. And, 10,000- to 20,000-ton freight ships can make port calls. We are planning to expand it to a port capable of handling 3.7 million tons of freight a year.

[Kim] My father moved to Manchuria from Kimhae, South Kyongsang Province in the 1920's. Cousins of my father, Myong-yop, are living somewhere in the ROK.

German Bank Said To Violate Currency Rules

SK0902030693 Seoul THE KOREA TIMES in English 9 Feb 93 p 10

[By staff correspondents Yi Chang-sop and Cho Chaehyon]

[Text] Banking regulators have uncovered that the Seoul branch of the Deutsche Bank has violated rules in foreign currency forward deals.

A source told THE KOREA TIMES the Korean branch of the largest German bank has failed to submit adequate underlying documents in its trading of foreign currency forward transactions with major Korean companies.

The initial finding was made yesterday after the Office of Bank Supervision [OBS] completed a regular audit of the bank from January 26 and 28.

The OBS is expected to issue a strong warning to the bank soon after its disciplinary committee fully reviews the extent of its rule-breaking practices, sources said.

The warning, if made, will deal a double agony to the bank which sustained a loss of 8.9 billion won last year—the largest red ink figure among all foreign banks in Korea.

The Deutsche Bank has been placed under a close watch by the regulators as its foreign exchange income suddenly rose in recent years.

Although the bank sustained an overall operating loss last year, its dealing center earned 2,400 million won. Its currency dealing income was 800-900 million won in 1987 and 1988 before suddenly doubling to 2,000-2,500 million won between 1990 and 1992.

Major customers which have been engaged in currency forward deals with the Deutsche Bank, include Kia Motors, Asia Motors, Samsung Electron Device, Samsung Co. Roche Korea, Cheil Wool Textile and Tongyang Polyester.

Last year, the German bank was warned for generating local currency through forward deals so that it can use the local currency for profitable lending operation.

Sources suspect that the Deustche Bank might have been engaged in widespread "speculative" foreign exchange forward transactions with Korean companies in view of its failure to provide underlying documentations.

To prevent banks from engaging in speculative currency deals, the OBS asks all currency trading banks to provide documentary evidence before they conclude forward exchange transactions of more than 3 million dollars per contract.

Even if the amount per forward transaction is below 3 million dollars, documentary evidence must be submitted shortly after the contract has been concluded.

Many sources said that the Deutsche Bank went too far over the past two years in a bid to earn money through currency forward deals. They claim that between 1990 and 1992, the Seoul branch has been engaged in "speculative currency forward deals" by using copies of same documents and manipulating exchange rates.

They contended that the OBS has "failed to uncover extensive speculative currency trading practices at the dealing center of the German bank" in its regular audit last year.

It is still unclear whether the regulators were intentional or unintentional in their failure to reveal the alleged wrongdoing of the branch last year, sources said.

But a chief Deutsche currency dealer said, "The OBS has duly audited our operation and found no evidence, except for one minor violation of currency rule, that our bank has been engaged in an extensive speculative currency trading last year."

He contended that the Deutsche Bank has neither manipulated rates in the foreign exchange forward trading nor failed to provide underlying documents.

Deutsche Bank has eight staff at its dealing center. It has 58 employees with two branches in Seoul and Pusan. Eight employees have left the branch in recent months. Some of them claimed that part of the employees were "forced to leave the branch" because they argued that the branch should stop "irregular forward deals." But the Deutsche Bank official said it is groundless.

Deutsche Bank's Seoul branch manager Axel-Peter Ohse was unavailable for comment because he is out of Seoul now.

This year's OBS finding indicated that the German bank has been negligent in abiding by the documentation requirement rule for striking foreign exchange deals.

The failure to provide underlying documentations means that the bank and its customers, out of greed to generate paper income through a series of imaginary forward deals, have been engaged in speculative tradings, analysts said.

It is expected that the OBS will reinvestigate the bank's past currency trading records, at least for the past three to four years to check whether its investigation was adequate, sources said.

According to a copy of Deutsche Bank's internal documents, the bank has been at least "sloppy and cosmetic" in preparing documents that are necessary to substantiate their foreign exchange forward deals. Most of its deals were made with Kia Motors, the document revealed.

For the past three years, the OBS waged an all-out war to root out irregular foreign currency trading among banks. Two foreign banks in Korea—U.S. Manufacturers Hanover Trust Company and French Banque Indosuez Bank—were ordered to suspend their foreign exchange business for three to seven days.

The Seoul branch of the U.S. Securities Pacific National Bank, which was merged with the Bank of America, was served a strong warning for violating rules in its foreign exchange forward deals.

It is alleged that a few foreign banks have actively been involved in unauthorized foreign exchange forward deals until last September when the OBS began to look into these complicated deals.

But the regulators have been unable to detect the malpractices possibly due to lack of professional auditors or because of accounting tricks by banks, analysts said.

The OBS said it will continue to keep a watchful eye on the questionable foreign exchange deals of banks through regular audits or its in-house surveillance system.

Dispatch of Observers 'Milestone' in Russian Ties

SK1102015193 Seoul THE KOREA TIMES in English 11 Feb 93 p 6

[Editorial: "Russian Observers to Team Spirit"]

[Text] Russia reportedly plans to send observers to the projected annual South Korea-U.S. military exercise, Team Spirit '93 for the first time. Moscow has yet to disclose what type of observers it will dispatch but it almost certainly has the option of either sending an official government delegation or its military attache at the Russian Embassy in Seoul.

Whoever the observers may be, Moscow's dispatch of government representatives will mark a milestone in the military relationship between Korea and Russia. At the same time, Moscow-Pyongyang ties will see a corresponding chill, impacting on their bilateral ties now at a low ebb.

It is speculated that Russian Vice Foreign Minister Georgiy Kunadze asked the Pyongyang leadership to observe the Team Spirit exercise too, together with his country during his recent visit there but that Pyongyang rejected the Russian offer. North Korea has steadfastly opposed the Korea-U.S. joint military drill, calling it a rehearsal for a nuclear war on the Korean peninsula.

Should the North ever decide to observe the spring exercise, it will realize that it is a war game of a defensive nature and not preparation for invasion of the northern part of the peninsula. With or without knowledge of this fact, Pyongyang has exploited the occasion to justify its discontinuation of inter-Korea dialogue.

Russia's participation in Team Spirit, on the other hand, is part of Seoul-Moscow military cooperation in quest of peace and security on the peninsula as well as Northeast Asia, following the diplomatic normalization between the two countries in 1991. And their defense ties are expected to develop further with the planned exchange visits of Korean and Russian naval fleets.

The Seoul-Moscow military exchanges and cooperation, of course, are an encouraging sign of mutual friendship and security. But they must be promoted in relation with the United States in view of the existing Korea-U.S. Mutual Defense Treaty and other military obligations.

Eastern Europeans Expected To Visit Taejon Expo

SK1002042993 Seoul YONHAP in English 0210 GMT 10 Feb 93

[Text] Seoul, Feb. 10 (YONHAP)—Between 170 and 180 tourists from Eastern European countries are to visit Seoul by charter plane during the Taejon Expo, which opens in August, Seoul Travel Service Ltd. said Wednesday.

The Korea National Tourism Corp.'s Budapest Branch, Hungarian Malev air tours and Seoul Travel Service agreed recently in Budapest that Malev will fly a charter plane between Seoul and Budapest during the Expo, which starts on Aug. 7 and lasts for three months.

Malev, Hungary's national airline and national travel agent, is to collect tourists from Hungary and other East European countries and send them to Seoul on its charter plane.

Seoul Travel will provide services here like lodging, transportation and guides. Seoul Travel will sign up Korean tourists who want to go to Eastern Europe and to send them by the Malev charter flight. Tours are expected to last eight days.

Malev and Seoul Travel are to have a final meeting in Budapest next week to fix the cost of the tours, a spokesman said. Seoul Travel has a good record and reputation in attracting European tourists, he said.

ROK To Allow Foreign Firms To Buy Real Estate

SK1102013093 Seoul THE KOREA TIMES in English 11 Feb 93 p 1

[Text] Korea plans to permit foreign firms operating here to buy real estate and commercial buildings linked to business operations from July this year.

Under the principle of national treatment, Korea will authorize foreign companies here to freely buy offices, factory sites and sales outlets, a government official said.

The government will revise the Alien Land Ownership Law in the first half of this year to ensure the free purchase of real estate by foreigners.

The government will convey its decision to the United States when both countries hold a meeting next month to improve the investment climate.

But the government will continue to bar foreigners from buying real estate for speculative purposes.

The Ministry of Home Affairs is now consulting with the Economic Planning Board [EPB], the Finance Ministry and the Trade-Industry Ministry to finalize the plan to open domestic real estate to foreign entities here, he said yesterday.

Last year, the government had already authorized foreign hi-tech services firms and insurance firms to buy real estate related to their business operations. Foreign insurance firms can buy residences for expatriate managers.

They can also use 10 percent of their investable assets into buying real estate under the same conditions Korean insurance firms enjoy.

Manufacturing companies have also been able to buy real estate on a selective basis after getting approval from the Home Affairs Ministry.

Government officials said it is necessary for Korea to permit foreign ownership of real estate and commercial buildings in order to attract foreign investment.

Washington has repeatedly urged Seoul to authorize foreign firms in Korea to "freely buy real estate without limit."

Under the current Alien Land Ownership Law, foreign firms can only buy real estate here after getting approval from the Home Affairs Ministry.

But the current law contains several restrictions and conditions on the foreign purchase of Korean real estate, thus effectively prohibiting foreigners from buying real estate. The United States has called on Korea to scrap what it calls restrictive codes.

The EPB has recently surveyed the foreign land ownership situation in major Asian countries, including Japan, Thailand and Taiwan. It found that foreign entities can legally buy real estate for business purposes, officials said.

Foreigners have long complained that high financing costs, lack of funding sources and prohibitive office rental prices have kept foreign firms from investing in Korea.

Two foreign banks—Citibank and Chase Manhattan Bank—are the only foreign financial services firms that own office buildings and residences for expatriate managers.

Foreign services firms, including securities companies, consulting firms and software companies, have urged the Korean government to permit them to own real estate and commercial buildings.

Through their embassies, foreign firms here argued that they have been facing serious impediments in investing and expanding their Korean operations due to prohibitive rental costs.

DP Refuses Offer of Two Cabinet Posts

SK1102084093 Seoul YONHAP in English 0716 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—The Democratic Party [DP] rejected Thursday an offer by President-elect Kim Yong-sam to nominate two of its choices to cabinet posts.

On Wednesday, Kim informed the party he wanted two lawmakers, or two others recommended by the party, on his cabinet and would respect its opinions to the maximum in choosing his prime minister. Kim Yong-tae, floor leader of the Democratic Liberal Party, delivered Kim's message, which offered the DP the home and justice portfolios.

The DP officially declined the offer in a meeting of its supreme council at the National Assembly, saying two cabinet posts didn't mean the realization of the reforms it pushed for nor would they allow true participation in government.

Council members agreed that they could not accept the majority party offer especially because it was not even talking about their long-standing demands. The DP wants the DLP to clear up allegations that it had been infiltrated by extremists and to conduct delayed local elections.

The bid could be rated as a forward-looking action because it is the first of its kind in Korean politics, DP leader Yi Ki-taek said. "But it might incur a question of political responsibility, because it is distant from the caretaker government we have called for and we haven't yet confirmed the next president's will to reform," he added.

The DP delivered its refusal to the DLP and proposed that a special committee be set up to deal with issues such as abrogation of the controversial National Security Law.

Kim Yong-sam Vows To Stop Official Corruption

SK1102083393 Seoul YONHAP in English 0702 GMT 11 Feb 93

[Text] Seoul, Feb. 11 (YONHAP)—Kim Yong-sam pledged Thursday to wipe out corruption within the prosecution, the Board of Audit and Inspection and other law-enforcement bodies as soon as he becomes president on Feb. 25.

"From the day I am sworn in, I will show my strong will to clean up official corruption," Kim vowed.

Kim made his pledge after he received draft legislation from his transition team, led by Chong Won-sik, to establish a corruption prevention committee. He rejected the draft, however, because the proposed committee could confuse and "destabilize" the hierarchical order of Korea's judicial establishment.

The proposed corruption prevention committee was viewed by many people as the overall and most powerful governmental watchdog, controlling all judicial functions, he pointed out. He sent the draft to the Democratic Liberal Party for study so that the committee can function more efficiently and effectively as a presidential advisory body.

Kim said he believed inefficiency and corruption within the judicial system, such as prosecutor's offices and the Board of Audit and Inspection, were mainly responsible for rampant official corruption.

One Democratic Liberal Party official said Kim was convinced that the overall function of a watchdog over the judicial bodies belonged to the Board of Audit and Inspection.

"Therefore, the party is to study the possibility of substantially strengthening the Board of Audit and Inspection," the official said, seeking anonymity.

Extra Assembly Session Convenes 9 Feb

SK1002035993 Seoul THE KOREA TIMES in English 10 Feb 93 p 2

[Text] National Assembly Speaker Pak Chun-kyu said yesterday that the Assembly would spare no effort to help president-elect Kim Yong-sam carry out reforms in the interest of the people.

In an opening speech for the extra session of the Assembly, Pak called on lawmakers to pool their wisdom to resolve such grave issues as the opening of rice market, collapse of small enterprises and reduction of government organizations.

"We lawmakers should try our best to set up a desirable image of the Assembly so that it can regain the trust of the people as the center of democracy," he said.

"For this, it is needed to revise the election laws and other Assembly-related laws to establish clean politics," he said.

He called for strong determination of the lawmakers to cure the Korean diseases by eradicating corruption prevalent in society, as revealed in the recent university entrance scandal.

He highly praised President No Tae-u's achievements during his stay in power by saying, "No carried out his duties for national democratization against all odds."

As to former Democratic Party leader Kim Tae-chung, he said, "He is the very figure who made noteworthy contributions to the country's democracy. I send him hearty praise on behalf of the Assembly for having left a big mark in constitutional history."

Chong Departure To Lessen Hyundai Conflict

SK1102020193 Seoul THE KOREA TIMES in English 11 Feb 93 p 9

[Text] Opposition leader Chong Chu-yong's sudden departure from politics has obviously relieved the Hyundai business group of long and serious worries over its conflict with the government.

"His divorce with the political arena will settle down various problems involving our group, most of which have stemmed from his sour relations with the incumbent No Tae-u administration and President-elect Kim Yong-sam's camp," a senior Hyundai executive said.

Several chief executive officers and tens of their top deputies have been arrested or are on the wanted list for allegedly siphoning corporate fund into campaigning for Chong, presidential candidate of the second opposition United People's Party.

The administration's Hyundai bashing is going on indirectly, according to a Hyundai official. "The administration has formally stopped oppressing our activities but indirect hardship is lingering."

It is not certain whether Chong, founder and longtime charismatic leader of Hyundai, will return to the largest conglomerate immediately and what role he would play then as he has not been in contacts with top group executives.

But many Hyundai officials think he will have a formidable say in the direction of the business concern no matter what post he will take after some months of rest though he may not be so deeply involved in the management as in the past.

Soon after he ventured into the political circle a year earlier, he delegated his younger brother and Hyundai chairman Se-yong with his rights as a stockholder and distanced himself from the group in a bid to calm down brewing controversy among his critics over attempts to "buy power with money."

Still, he is the largest shareowner and passed as "monarch in the Hyundai kingdom." He has the full capacity to do anything he wants in the group that has far-reaching interests in almost all fields—from wood processing and construction to shipping, shipbuilding, auto and heavy machinery production—with 24 subsidiaries.

Chong is likely to indulge in taking orders for massive overseas construction works rather than engage in day-to-day control of Hyundai, now managed by his seven sons and Se-yong, his aides say.

Some projects which Hyundai is vigorously moving to participate in include Mexico's canal construction, China's new industrial site construction and Russia's natural resource development, according to Hyundai insiders.

Chong, a born entrepreneur who has never remained vexed in the face of new works, paid keen attention to the Mexican project when he visited as a politician in August last year.

He is expected to try to mend fences with Kim Yong-sam. Announcing his suspension of the high-stakes gamble on Tuesday, he expressed regrets over his attacks of Kim during the December campaign.

The business quarters, irritated by his unseasoned political behavior, also welcomed his quitting. He was leader of the Federation of Korean Industries, the influential pressure group for large firms in the 1980s and an active mediator between top government officials and leading businessmen.

UPP Lawmaker Resigns After Indictment

SK0802092893 Seoul YONHAP in English 0512 GMT 8 Feb 93

[Text] Seoul, Feb. 8 (YONHAP)—Rep. Yi Ho-chong, a United People's Party [UPP] lawmaker from Suwon, Kyonggi-to, handed in his resignation from the party Monday.

Yi has been indicted by the prosecution on charges of giving out watches inscribed with his name during the December presidential election.

Yi's resignation brought the number of UPP seats in the National Assembly to 34.

'Keen' Interest Shown in Kim, No, Chun Ties

SK0902093993 Seoul THE KOREA HERALD in English 9 Feb 93 p 2

[By staff correspondent Kang Song-chol]

[Text] Public interest over the delicate relationships among President-elect Kim Yong-sam and his predecessors, No Tae-u and Chon Tu-hwan, threatens to overshadow the inauguration itself.

Kim will be sworn in as the country's 14th president at his inaugural ceremony Feb. 25, in the presence of both No and Chon. It will probably be the closest they have ever come to each other at a public function.

The gathering of the three will capture keen public interest because of the complicated relations that bind them and the profound effect those relationships have had in Korean history. They have dominated Korean politics, sometimes as allies, sometimes as enemies, since the 1979 assassination of late President Pak Chong-hui.

Former President Choe Kyu-ha will also be present at the inauguration, though he is unlikely to receive much attention. Choe cut his ties with politics and led a secluded life since retiring in 1980 after serving just nine months in the presidency.

Garnering the most interest at the inaugural ceremony will likely be the meeting of No and Chon, whose decades-old friendship was estranged in the course of the No administration's so-called "liquidation of irregularities" prevalent during Chon's Fifth Republic.

Both men graduated from the Korean Military Academy class of 1955. After Pak's assassination, Chon quickly rose to power with the aid of No and other military officers.

While serving as president, Chon groomed No as his successor and later handpicked him as the ruling party's presidential nominee in June 1987. Three weeks after the nomination, No announced his famous declaration of democratic reforms and went on to win the presidential election six months later over then opposition leaders Kim Yong-sam and Kim Tae-chung.

Friendly ties between the two were shattered shortly after No assumed the presidency. Public outrage over his abuse of power forced Chon into internal exile at a remote mountain temple, while some of his relatives were jailed on charges of corruption and other irregularities. Chon's primary grudge against No is that the President did little to prevent these indignations.

Since Chon's return to Seoul in December 1990, No has on several occasions proposed to meet with Chon in an effort repair their relations. But Chon has rejected all such offers.

One major sticking point is said to have been where the two should meet. Chon is said to demand that No visit him at his house, while No insists on a meeting at Chongwadae.

Indications are that the two will not face each other before Kim's inauguration. No and Chon last met five years ago when Chon handed over the presidential reins to No.

In the meantime, political sources are saying that Kim Yong-sam, once a sworn political enemy of both men, may serve as a go-between in the effort to reconcile the relations between No and Chon. One theory is that Kim will invite the two predecessors to a dinner at Chongwadae shortly after taking office.

Chon now appears to be warming toward Kim, who was a major political adversary during his rule. Kim, then an opposition leader, fought fiercely alongside fellow opposition leader Kim Tae-chung against Chon's authoritarian regime.

Kim no longer takes issue with Chon's controversial past record, and treats him in a manner befitting an ex-head of state. He has visited Chon at his Yonhi-tong house twice, first after he was nominated as the Democratic Liberal Party's presidential candidate last May and again upon his election victory in December.

Out of courtesy toward Kim, Chon sent his two sons to visit the now-president-elect and deliver Chusok (a traditional Korean holiday) greetings last year.

With the end of No's presidency drawing near, there is also much speculation over future relations between No and Kim. The two former political foes joined forces in a three-party merger in January 1990, creating the current Democratic Liberal Party.

Since the merger, the two have experienced numerous ups and downs in their relations, sometimes engaging in disputes then later offering displays of mutual confidence.

At one point, relations between No and Kim became so sour that No considered grooming another figure as his successor.

Some speculate that uncomfortable relations between the two men prompted No to quit the ruling party just two and a half months prior to the Dec. 18 presidential election. No's decision to leave the party came not long after Kim opposed the government's selection of Sunkyong Group, a business conglomerate headed by an in-law of No, as primary contractor for the country's second cellular phone networks. The project is still under discussion and remains a point of controversy.

Aides to both outgoing and incoming Presidents say, however, that the two have now fully restored confidence in each other, as manifested in the close cooperation between administrations over the transition of power.

Regardless of relations between No and Kim, signs are that after leaving office, No will not face the same hardships experienced by Chon. Some opposition politicians are calling for review and elimination of what they call Sixth Republic irregularities, but few appear to believe that any full-scale investigation or parliamentary hearings will be carried out.

President No said in a recent interview with a daily newspaper, "The achievements made under (Chon's) Fifth Republic served as a foundation for democratization in the Sixth Republic." The remark was believed to be aimed at fostering an atmosphere of reconciliation so he may patch up his relations with the disgraced former president.

No also said in the interview that the country should never again see a former president sent into political exile or forced to make testimony at a parliamentary hearing. This may well be a message No wants incoming President Kim to hear.

Government Pressed To Retain Telecom Selection

SK0902130593 Seoul YONHAP in English 1047 GMT 9 Feb 93

[Text] Seoul, Feb. 9 (YONHAP)—The government is under growing pressure from foreign interests to retain the selection last year of the Taehan Telecom Co. as the country's second mobile telephone project undertaker.

A source at the British Embassy here said Tuesday British Ambassador David J. Wright called on Communications Minister Song On-chong at his ministry office Monday afternoon and expressed the official British view that the selection of Taehan Telecom should remain valid.

A British Communications Firm, Vodafone Co., is taking part in Taehan Telecom with a 6 percent equity.

Taehan Telecom turned in its business right after the selection came under public fire as a case of favoritism.

Ambassador Wright claimed during Monday's meeting that Taehan Telecom's mobile phone project right cannot be regarded as having been given up.

According to the view of the ambassador, the project was simply suspended for the time being due to Korea's political situation.

Saying that the British Government has a deep interest in Korea's mobile phone industry, Ambassador Wright expressed the hope that the issue of selecting a second mobile phone undertaker should be resolved at an early date in a way Vodafone Co.'s interests are not undermined.

Meanwhile, at the Korea-U.S. communications meeting held in Washington on Feb. 5, the U.S. asked for the early selection of a second mobile phone project firm so that the opening of Korea's mobile communications sector would not be hampered.

In another move, officials of GTE of the United States, which has a 10 percent interest in Taehan Telecom, met Communications Ministry officials on last Jan. 13 to insist that the turning-in of the business right should be made void and null.

Prosecutors Arrest 40 for Trademark Law Violations

SK0802131993 Seoul YONHAP in English 1234 GMT 8 Feb 93

[Text] Seoul, Feb. 8 (YONHAP)—A total of 384 persons were ferreted out for violating trade marks and intellectual rights so far this year, the prosecutor general's office said Monday.

Of the total, 40 persons were placed under arrest on charges of violating the trade mark law, law on prevention of unfair competition and law on intellectual rights.

The number breaks down to 103 persons for violating the trade mark law and the law on prevention of unfair competition, 138 for violating the intellectual rights law, seven for violating the computer programs protection law, 119 for violating the law on disks and videos, and 17 others for violating other laws.

Among the violators were Chang Yang-tae, age 49, and three others who unlawfully produced and sold part of 42,000 pairs of canvas shoes with false brands like "Nike" and "Reebok" at the Samhwa shopping center at Tapsip-ri, Tongdaemun-ku, Seoul for six years beginning 1987.

"We are intensifying cracks down on trade mark and rights violators since the turn of the year. The 40 arrested persons are compared with 11 in the same period of last year," said a prosecution official.

Officials Admit Receiving Money From Hyundai

SK0602024293 Seoul YONHAP in English 0134 GMT 6 Feb 93

[Text] Seoul, Feb. 6 (YONHAP)—Senior government officials have admitted accepting money from the Hyundai Heavy Industries Co. during questioning by the Seoul district prosecutor's office, a prosecution spokesman said Saturday.

Sin Kuk-hwan, administrator of the Industrial Advancement Administration, was among those who admitted taking money, he said.

Seven people were questioned Friday, including Kim Hong-kyong, director-general of the Trade and Industry Ministry's industrial policy bureau, and bank executives. Most admitted taking money from the Hyundai firm, but said they returned it soon after, he said.

If those who had denied receipt of money persisted in denying, they would be cross-questioned with two top officials of Hyundai heavy who are already under arrest, he said. The two are company president Choe Su-il, and managing director Chang Pyoung-su.

Investigations so far have not proved the money was graft and arrest of the seven was unlikely, he said.

Though money from a Hyundai secret slush fund was thought to have been given to Korean Exchange Bank officials, a preliminary probe showed none of them took money, he said.

"There was a plan to give them money, but it was cancelled after Chong Yun-ok, a clerk in Hyundai's financial section, exposed the raising and use of the slush fund on Dec. 5 last year," he said.

Hyundai Heavy raised more than 50 billion won by manipulation of export receipts, most of which was contributed to the campaign of Chong Chu-yong, head of the United People's Party, in the presidential election.

Business Expected To Improve in Feb

SK0802032093 Seoul YONHAP in English 0242 GMT 8 Feb 93

[Text] Seoul, Feb. 8 (YONHAP)—Business confidence has recovered and conditions in Korea are expected to improve this month, according to a survey of 500 mining and manufacturing companies, the Federation of Korean Industries (FKI) said Monday. The February Business Survey Index (BSI) is 105, going over 100 for the first time in four months, FKI said.

FKI said that if, for example, 40 percent of respondents take a rosy view of industrial prospects, 20 percent the opposite and 40 percent sit on the fence, the BSI is 120.

If the BSI is over 100, it means optimistic enterprisers outnumber pessimists. The BSI was 98 in November, 94 in December and 89 in January.

Exports are expected to surge this month due to a short-lived recovery of price competitiveness helped by a cut in bank interest rates and the weak Korean currency. Corporate financial conditions and investment psychology are likely to improve in February over January.

An FKI official said that a real economic recovery was unlikely for a considerable time because the basic problem of sharpening international competitiveness was left untackled.

But he said that the expectation of pump-priming measures by the new government and the Jan. 26 cut in official interest rates were sure to help business conditions in February.

Brunei, Malaysia & Singapore

Malaysia

Rulers Conference Meets Under New Immunity Rules

BK1002092793 Kuala Lumpur Radio Malaysia Network in English 0800 GMT 10 Feb 93

[Text] The 159th meeting of the rulers conference was held at the Istana Negara [National Palace] in Kuala Lumpur this morning with His Royal Highness the Sultan of Pahang chairing the meeting.

The two-day meeting is the first since Parliament last month passed the bill to limit the rulers' legal immunity in their personal capacity. The almost hour-long meeting was attended by all the rulers, except those from Perak and Selangor, who were represented by their regents.

The Mentris Besar and chief ministers accompanied their respective their rulers and governors to the meeting which began at 10.30 am [0230 GMT]. Melaka's Chief Minister Tan Sri Abdul Rahim Tambi Chik was represented by the State Executive Council member, Haji Mohamed Zain Ghani.

His Majesty the King Sultan Azlan Shah will attend tomorrow's session of the meeting, and he will be accompanied by Deputy Prime Minister Mr. Ghafar Baba.

Agree to Amendments With Changes

BK1102101893 Kuala Lumpur BERNAMA in English 0934 GMT 11 Feb 93

[Text] Kuala Lumpur, Feb 11 (OANA-BERNAMA)—The conference of rulers and the Malaysian Government Thursday reached agreement on the proposal to amend the Federal Constitution which mainly seeks to limit the rulers' legal immunity.

A joint declaration of the agreement was announced by Deputy Prime Minister Ghafar Baba Thursday afternoon after the conference of rulers held its 160th meeting [as received] in the morning. The keeper of the rulers' seal Engku Ibrahim Engku Ngah and Attorney-General Abu Talib Othman then signed the declaration witnessed by Ghafar. The declaration said both parties had agreed that the Constution (Amendment) Bill 1993", passed by Parliament, would be returned by the Yang Di-Pertuan Agong (King) Sultan Azlan Shah to the Dewan Rakyat (Lower House of Parliement). This is to enable the insertion of several changes which have been agreed to by both sides.

The two-page declaration said that a draft amendment of the 1993 bill had been agreed to by the conference of rulers and the government. It said the conference of rulers unanimously agreed to give consent to the proposal by inserting several changes and to article 63 (4) pertaining to Parliamentary privileges and sedition.

At the conference of rulers meeting, Ghafar represented Prime Minister Dr. Mahathir Mohamed who was tied up with the visit of the Mauritius Prime Minister Sir Anerood Jugnauth. The government carried out the amendments after the alleged assault of a school hockey coach by the Sultan of Johor.

Kelantan Government Rejects Federal Circular

BK1102112393 Kuala Lumpur NEW STRAITS TIMES in English 9 Feb 93 p 2

[Text] Kota Baru, Mon—Menteri Besar Nik Abdul Aziz Nik Mat said the Kelantan Government would not adopt the guidelines issued by the Prime Minister's Department on relations between government officers and Rulers.

He said he did not see the need to adopt the guidelines unless the existing system in Kelantan was ineffective.

"I believe that under the Malaysian system of Federation, each State Government should be given the autonomy to decide on its administrative system, especially those on employment," he said when met at his residence in Pulau Melaka near here today.

Nik Aziz was commenting on newspaper reports on Friday which gave details on the guidelines contained in the General Circular 4/93—Relations between government officers and Rulers—signed by Chief Secretary to the Government, Tan Sri Ahmad Sarji Abdul Hamid.

Under the guidelines, Federal and State Government officers, including those in statutory bodies and local authorities, were forbidden, with immediate effect, from following certain royal directives and requests.

Nik Aziz said Ahmad Sarji as a top-level civil servant had every right to give an opinion on administrative matters, but the State Government need not follow it as the present system in the State was efficient.

Asked whether it was true that the 1988 crisis between the Barisan Nasional [National Front]-led State Government and the State Service Commission (SSC) erupted because it was not clear who had the power to transfer State Administrative officers, Nik Aziz said he would not comment on things which happened in the past and under different leadership.

Let Royals Rule

BK1102112793 Kuala Lumpur NEW STRAITS TIMES in English 9 Feb 93 p 2

[Text] Kota Baru, Mon—Pas [Pan-Malaysian Islamic Party] Dewan Ulama [Ulema Council] chief Nik Abdul Aziz Nik Mat said the Federal Government should review the constitutional monarchy system and return the power to rule the country to the rulers. He said the review should be done once the process of removing the Malay rulers' immunity in their personal capacity was completed and the law pertaining to it came into force.

Nik Aziz, who is also the Kelantan Menteri Besar [chief minister] said the country should then stop the practice of delegating the rulers' power to rule to the Cabinet or Government and instead allow the rulers to discharge the duties on their own. When asked if he was propagating a feudal system of absolute monarchy, Nik Aziz said he did not agree with the word "absolute".

"What I am saying is that instead of carrying on with our present system in which the power of the rulers to rule is delegated to the Government, Cabinet or State Executive Councils, the power should be retained by the rulers," Nik Aziz said when met at his residence in Pulau Melaka near here today. He said there was no need to worry about the rulers being cruel or abusing their positions because they would be subjected to the rule of law as their immunity had already been withdrawn.

He said the constitutional monarchy system was derived from Europe where Rulers were turned into titular or symbolic heads of state. "Why should we continue with a system which we know did not exist in the Islamic history. If we change the system to one where the rulers have the power to rule then we are paving the way towards realising the Islamic system of khalifah (Islamic head of State)," he said.

When it was pointed out that under the khalifah system, the position as head of State might not be hereditary, Nik Aziz said "That is how it should be". "Hereditary claim to the throne can be retained as long as it is consistent with Islam, meaning that a ruler's son can inherit the throne if he is fit," he added.

On retaining the present batch of Malay rulers, Nik Aziz said it was only proper as they had been accepted as the symbol of Islam in the country.

"They can be more effective in implementing Islamic principles and syariah [laws] as they are not bound by political considerations," he said. He said politicians, though Muslims, could not pursue the Islamic State concept because they had to consider their political career and views of those in their coalitions.

Commentary Welcomes Mauritian Premier's Visit

BK1002110593 Kuala Lumpur Radio Malaysia Network in English 0800 GMT 10 Feb 93

[Station commentary]

[Text] The current four-day visit of Mauritius Prime Minister Sir Anerood Jugnauth to Malaysia to enhance bilateral trade and economic relations between the two countries is further (?attraction) of South-South cooperation which Malaysia has been actively promoting over the past few years.

There is much that the two countries will gain in terms of expertise and experience that they can learn from and share with each other for their respective economic progress and development. In this context, the private sectors from both nations have a big role to play and are in fact in process of actively exploiting the opportunities available in each other's country, which has led to a significant increase in trade between Malaysia and Mauritius over the last four years or so.

There are many more areas still to be explored. Malaysia, with its vast experience in economic planning has offered to assist Mauritius in this field, as well as in the development of a stock market system in that island nation. In furtherence of South-South cooperation, Malaysia has an ongoing technical assistance program which Mauritius is welcomed to participate in.

Mauritius has responded to Malaysia's gesture by offering to train Malaysians in seamenship in the merchant ships as well as sharing the expertize in sugar technology and (?deer farming). Malaysian entrepreneurs have been urged to increase their investment in Mauritius. At present, Malaysian investment there include a 2,000-unit low-cost housing project costing 64 million ringit, which is expected to be completed by the end of the year; and a 200-room five-star standard hotel to be ready by early next year at a cost of 100 million ringit.

There is no doubt that Malaysian investment will increase rapidly in the near future and it will be rich in trading. Malaysia has invited Mauritius to participate in the South Investment Trade and Technology Data Exchange Center or SITTDEC, an idea mooted by the group of 15 countries, G-15, aimed at helping the economic growth of developing countries.

As Malaysian Prime Minister Dr. Mahathir Mohamed explained to his Mauritian counterpart, the center will function as the yellow pages for the business community of the South countries to increase trade and investment among them. SITTDEC, which was also launched in November last year, is to have its headquarters in the Malaysian capital, Kuala Lumpur.

There is every confidence that Mauritius would get used to the idea and be willing to be an active participant. Dr. Mahathir has travelled extensively over the years to boost his country in the quest to foster greater South-South cooperation.

It is in the same spirit that Malaysia welcome the visit of Sir Anerood. There is no doubt that the visit will result in immense benefit to both countries.

Jugnauth Discusses Trade, Seeks Investors

BK1102073393 Kuala Lumpur BERNAMA in English 0636 GMT 11 Feb 93

[Text] Kuala Lumpur, Feb 11 (OANA-BERNAMA)—Mauritius wants more Malaysian investors to venture into the manufacturing business in the island republic, its Prime Minister Sir Anerood Jugnauth said Thursday.

Various opportunities would be made known and Malaysian businessmen would be given all the neccessary incentives, but they would also have to compete with investors from other countries, he added.

Mauritius possesses all neccessary infrastructure like direct (?maritime) links and offshore banking facilities and incentives such as tax exemption and repatriation of capital, he told a press conference here at the end of his four-day official visit.

He said: We can become a gateway to markets in Africa and the European Community with whom we have a special relationship. Once a French colony, Mauritius was later ruled by Britain before it became independent in 1968.

Anerood said his goverment was trying to diversify the island's industrial base to include light engineering, electronics, jewelry, and leather goods.

Sapura, a Malaysian telecommunications company, was in the final stages of concluding an agreement to set up a factory to manufacture telecommunications equipment in Mauritius, he added.

He also said Mauritius was exploring possibilities to export more to Malaysia, especially its products like high-quality tea and flowers. Trade between Malaysia and Mauritius totalled about RM [Malaysian ringgit] 50 million (U.S. $19.2 million) with the [words indistinct] Malaysia's favour.

Singapore

Philippine President Arrives for State Visit

BK1102115393 Singapore Singapore Broadcasting Corporation in English 1100 GMT 11 Feb 93

[Summary from poor reception] The Philippine president is now in Singapore for a three-day state visit. Mr. Fidel Ramos, who was welcomed at the palace by President Wee Kim Wee, reviewed a guard of honor mounted by Singapore's armored and infantry regiments this afternoon. Later, he called on the president and Mrs. Wee and met the prime minister, Mr. Goh Chok Tong. This is his first visit to Singapore as president. The senior minister, Mr. Lee Kuan Yew, called on President Ramos at Shangri-la Hotel this evening.

Philippine and Singapore leaders have discussed the possibility for further bilateral economic cooperation. This was the main topic during talks between President Ramos and Prime Minister Mr. Goh Chok Tong. The prime minister said President Ramos outlined the new investment opportunities in the Philippines.

Indonesian Defense Minister Pays Farewell Visit

BK1002130893 Singapore THE STRAITS TIMES in English 10 Feb 93 p 26

[Text] The outgoing Indonesian minister for defence and security, General (retired) Benny Murdani, called on the prime minister, Mr. Goh Chok Tong, at the Istana [palace] yesterday.

Gen. Murdani, who is on a two-day farewell visit, arrived here yesterday afternoon and was greeted at the Paya Lebar Airport by the minister for defence, Dr. Yeo Ning Hong. Gen. Murdani became minister in March 1988.

All cabinet ministers in Indonesia will relinquish their posts next month when the People's Consultative Assembly meets to elect the new president and vice president. A new Cabinet will be formed after that.

Yesterday, Gen. Murdani also visited the Ministry of Defence at Gombak Drive where he reviewed a guard-of-honour formed by representatives from the Army, Navy, and Air Force. He also called on Dr. Yeo, who hosted a farewell dinner for his Indonesian counterpart last night.

A Ministry of Defence statement said that his visit "reflects the friendly and strong ties between Indonesia and Singapore". Gen. Murdani leaves Singapore today.

Cambodia

Hun Sen Reaffirms 'Ability To Capture' Pailin

BK1102015793 Bangkok THE NATION in English 11 Feb 93 pp A1, A2

[Excerpts] Phnom Penh—Cambodia's Supreme National Council (SNC) yesterday banned exports of precious gems over objections from the Khmer Rouge, who make millions of dollars from sapphire and ruby mining operations near the Thai border.

Khmer Rouge nominal leader Khieu Samphan and Phnom Penh Prime Minister Hun Sen at one point got into an open dispute at the meeting over the military situation in the country.

"I have warned Mr Khieu Samphan not to continue (military) activities any longer. Otherwise the Khmer Rouge will be held responsible for all consequences. I told the meeting I have the ability to capture (the Khmer Rouge stronghold of) Pailin," Hun Sen said following the meeting.

Pailin is where most of the Khmer Rouge mining operations are conducted. [passage omitted]

Chanthaburi [Thailand] Governor Wimon Puangthong said yesterday he had not learned of the SNC's resolution. But, he said, if the press report was true, then the reaction from the Khmer Rouge would be either that they accept the SNC's ban and evict the six Thai gem mining companies from their areas or that they reject the SNC's ban and continue business with the Thai firms.

Wimon said the ban would have an impact in Thailand because the Chanthaburi-based firms depend almost 100 percent on the Khmer Rouge for gems. He estimated the ban would leave more than 100,000 Thai gem miners jobless.

The governor said he can only urge the Thai firms to haul gems from the Khmer Rouge-controlled areas before the end of this month.

Sihanouk Welcomes Arriving Mitterrand

BK1102054293 Phnom Penh SPK in English 0431 GMT 11 Feb 93

[Text] Phnom Penh SPK February 11—French President Francois Mitterrand arrived here Thursday for a two-day visit to Cambodia.

Mitterrand, who arrived from Vietnam where he also spent two days visiting there, was welcomed at the Pochentong airport by SNC [Supreme National Council] Chairman Prince Norodom Sihanouk and other SNC members.

The French president is scheduled to have talks with Prince Sihanouk, the other SNC members and UNTAC [UN Transitional Authority in Cambodia] Chief Yasushi Akashi the same day of his arrival.

During Mitterrand's visit in Cambodia, a health-care cooperation between France and Cambodia will be signed.

He will fly to Siem Reap Province on February 12 to visit the world-recorded Angkor Wat complex and to see the French contingent joining the UN Transitional Authority being posted in the province.

Mitterrand is the first French president to visit Cambodia after 27 years when French President General Charles de Gaulle delivered a hard-hitting speech in Phnom Penh denouncing the U.S. military intervention in Vietnam.

Mitterrand strongly supports the UN-brokered peace plan enshrined in the 1991 Paris peace accords and which calls for election of a constituent assembly in May.

Discusses Presidential Elections

BK1102141893 Hong Kong AFP in English 1207 GMT 11 Feb 93

[By Sheri Prasso]

[Excerpts] Phnom Penh, Feb 11 (AFP)—Prince Norodom Sihanouk received French President Francois Mitterrand to discuss presidential elections at his Royal Palace here Thursday, saying he still does not want to run for president. Mitterrand was expected to try to persuade him otherwise, believing that giving power to the prince could end the impasse in the Cambodian peace process which has stalled over Khmer Rouge non-cooperation.

"If I were to be elected in elections condemned by the Khmer Rouge, it would be difficult for me to deal with the Khmer Rouge," he told journalists while standing outside the Royal Throne Hall to receive the visibly tired French president who arrived a half hour late.

"If I am not elected, the funny thing is they (the Khmer Rouge) recognize me as the perpetual head of state anyway," he explained. "For me to participate in presidential elections would not only alienate the Khmer Rouge but would put me in a position that would not enable me to negotiate with the Khmer Rouge and the others," he said.

No matter what power he is given, however, Prince Sihanouk said he—like the king of Thailand—should be able to intervene to solve disputes.

"If the Phnom Penh (government) wins the elections, we risk a civil war ... and I must intervene," he said. If his own FUNCINPEC party wins and the Phnom Penh government refuses to cooperate, "that would be a case where Sihanouk would intervene ... to form a quadripartite government," he said.

Mitterrand arrived Thursday for a 24-hour visit to try to give a boost to the stalled Cambodian peace process. The visit was the first by a French head of state since General Charles de Gaulle in 1966. So far the Khmer Rouge have refused to cooperate with U.N. peacekeepers trying to implement a peace plan ending the civil war, the signing of which was co-chaired by France in October 1991. The faction broadcast a scathing attack on France on its clandestine radio just before the visit, accusing France's policy in Cambodia of aiming at "completely destroying the Cambodian resistance forces as well as assisting the Vietnamese and the Phnom Penh puppets."

Despite the rhetoric, Khmer Rouge nominal leader Khieu Samphan greeted Mitterrand on his arrival at Pochentong Airport. He would not comment when asked why. [passage omitted]

UNTAC chief Yasushi Akashi said Mitterrand's visit would "show the continued engagement and commitment of France in this process." "I hope France as co-chairman of the Paris peace conference will help in giving new vitality to the peace process," he said.

Mitterrand also met with the heads of Cambodia's four factions, as well as Akashi and French Brigadier General Robert Rideau, the deputy force commander.

On Friday, Mitterrand and Prince Sihanouk were sticking to plans to travel to the northwestern tourist town of Siem Riep, home of Cambodia's 11th century Angkor temples despite a violent attack there in the early hours of Wednesday. [passage omitted]

Accompanies Mitterrand To Meet SNC

BK1102140093 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 11 Feb 93

["Latest news"]

[Text] His Royal Highness [HRH] Prince Norodom Sihanouk, head of the state of Cambodia, father of the nation, and chairman of Cambodia's Supreme National Council [SNC], received His Excellency [H.E.] Francois Mitterrand, president of the French Republic, and H.E. Roland Dumas, foreign minister of the French Republic and cochairman of the Paris International Conference on Cambodia, at the Teveavinichhai Pavillion at 0430 on 11 February.

Then, at 0515, HRH Prince Norodom Sihanouk and H.E. Francois Mitterrand had an audience with members of the SNC, including H.E. Dit Munti, minister of information and press of the State of Cambodia [SOC]; H.E. Hor Namhong, foreign minister of the SOC; H.E. Hun Sen, chairman of the SOC Council of Ministers; H.E. Ieng Muli, vice chairman of the Buddhist Liberal Democratic Party [BLDP]; H.E. Im Chhunlim, education minister of the SOC; H.E. Khieu Samphan, chairman of the party of Democratic Kampuchea; HRH Prince Norodom Ranariddh, chairman of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party; H.E. Sam Rangsi, vice chairman of the FUNCINPEC Party; H.E. Sin Sen, deputy national security minister of the SOC; H.E. Son Sann, chairman of the BLDP; and H.E. Tie Banh, vice chairman of the Council of Ministers and defense minister of the SOC.

Following this meeting, HRH Prince Norodom Sihanouk and H.E. Roland Dumas signed a health-care cooperation agreement between Cambodia and the French Republic.

At 0500 on 11 February, a delegation of the French Republic headed by Mr. Claude Cheysson, member of the European Parliament and former French foreign minister, visited the train engine and car technical school of the Cambodian Rail Transport Company. The delegation was cordially welcomed by Mr. Tram Ievtoek, deputy minister of communications, transport, and posts of the SOC, and Mr. Pich Kimsreang, chief of the Cambodian Rail Transport Company, as well as many officials, personnel, and workers of the company.

The delegation visited several sites at the school such as the foundry, the general locomotive department, the practice room, and the archives.

Siem Reap 'Gunmen' Steal Angkor Statues

BK1102062293 Hong Kong AFP in English 0456 GMT 11 Feb 93

[Text] PHNOM PENH, Feb 11 (AFP)—A band of gunmen who attacked the Cambodian tourist town of Siem Reap this week stole 11 priceless statues from the 11th century Angkor temple complex, a U.N. spokesman said Thursday. French President Francois Mitterrand was still scheduled to travel to the town Friday despite the violence that left three people dead in the early hours of Wednesday, French officials in Vietnam said.

U.N. spokesman Eric Falt said the death toll had increased to three from the first reports. An Indian U.N. peacekeeper and a Portuguese tourist staying at the Grand Hotel were both grazed in the head by AK-47 fire, he said. The bed of a Japanese tourist in the hotel was also hit by gunfire, but he was not injured, Falt said. One of the victims was the paymaster for the government soldiers, whom the gunmen asked to see and then shot dead, he said.

"One theory emerging in the Siem Reap area is that it could be a group of renegade soldiers from various factions," he said.

"It appears to be well organized," he said, adding that the band of about 40 gunmen had ridden in on motorbikes and divided into small groups after their leader blew a whistle.

An Australian U.N. peacekeeper had returned fire at the gunmen, but none of them were injured, Falt said. Eight bullet holes were found in the communications center where the Australian and five other radio signallers were staying. The gunmen wearing "mixed uniforms" went on an "indiscriminate rampage of 30 to 40 minutes duration," U.N. peacekeeping chief Yasushi Akashi said.

The peacekeeping force commander Lieutenant General John Sanderson said extra security measures would be taken for the visit of Mitterrand and Prince Norodom Sihanouk. Several violent attacks have taken place previously around the Siem Reap area, but this was the first in the city itself.

Siem Reap is the home of the 11th century Angkor temples, the symbol of Khmer civilization. Thousands of tourists visit it every year. The band took 11 Angkor statues from a conservation museum run by the U.N. Educational, Scientific and Cultural Organization (UNESCO) that attempts to keep such artifacts safe from looters. The statues could be worth hundreds of thousands of dollars or more on the international market, but Falt said he could not put a value on them.

The raiders fired B-40 rocket propelled grenades at the museum's gates in order to get inside, the spokesman said. "It's too early to tell" if the theft of antiquities was the motivation for the attack, he said.

Indian Soldier Injured in Attack

BK1002120993 Delhi All India Radio Network in English 1135 GMT 10 Feb 93

[Text] In Cambodia, one Indian soldier was slightly injured in the attack by some unidentified people on UN positions in Siem Reap town near Angkor Wat early this morning. The Indian ambassador in Phnom Penh, Mr. C.M. Bhandari, told our Southeast Asia correspondent that all members of the Indian archaeology team restoring the Angkor Wat complex are safe. The area adjoins Khmer Rouge-controlled positions.

Government Condemns Attack

BK1102120593 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1100 GMT 11 Feb 93

[11 February "press communique"]

[Text] A group of Khmer Rouge soldiers from Division 980 using some of their fifth columns as scouts launched a four-pronged attack on Siem Reap city at 0130 on 10 February. The first prong hit Reang Kesa monastery and the Angkor Conservatory; the second hit the iron bridge area; the third hit the Siem Reap market; and the fourth hit the Bo monastery area. The losses caused by these attackers were as follows: one government soldier killed and two others abducted and two civilians killed and seven others wounded.

Besides the massacre, the Khmer Rouge forces also fired two B-62 rockets on the provincial hospital, damaged four cars, seized three firearms, and took away four watches, 150 grams of gold, and 11 statue heads.

The government of the State of Cambodia [SOC] expresses deep condolences to the bereaved families and strongly condemns such a wanton act of hostility, which constitutes a serious threat to the neutrality of the political environment and the safety of a free and fair election in Cambodia.

The Government of the SOC has now given orders to the local authorities concerned to take all necessary measures in response to such hostile acts and to seek out and arrest these persons and send them to court for legal action.

Phnom Penh, 11 February 1993

Joint Think Tank To Deal With Legal Disputes

BK1102073793 Phnom Penh SPK in English 0441 GMT 11 Feb 93

[Text] Phnom Penh SPK February 11—Legal brains from the government [State of Cambodia, SOC] and the United Nations Transitional Authority in Cambodia are to jointly prepare the procedure for the arrest, detention, and prosecution of political criminals, reports CAMBODIA TIMES in its latest issue.

New procedures are necessary to ensure that basic human rights of suspects are not violated under existing local laws as well as in accordance with accepted international norms.

The decision to form the joint panel was made at a meeting between Prime Minister Hun Sen and UNTAC [UN Transitional Authority in Cambodia] Chief Yasushi Akashi here on February 2.

The meeting was the result of misleading statements issued by the UNTAC spokesman's office last week that the government was blocking justice by hindering the prosecution of two men, one a policeman and the other a Khmer Rouge cadre, on murder charges.

The unverified statement had serious reaction from legal and political quarters here and abroad, which wondered why the government was trying to save the neck of a sworn enemy.

Akashi assured Hun Sen that his spokesman will be restrained from making further unfounded statements and complicating what is already a complicated situation.

Hun Sen reiterated that the government supported any action that the UN takes to minimise political violence, and bring perpetrators to book.

However, they must be done in accordance with existing laws and procedures, some of which are absolute.

The Cambodian laws stipulate that suspects are remanded in Cambodian holding centres, are tried before local magistrates in local courts, and have access to defence counsel.

In the case of the policeman, he was held in an undisclosed UN detention centre and was incommunicado. Then he was asked to be tried in Phnom Penh by local magistrates.

Hun Sen suggested that a panel made up of government legal officers and those from UNTAC draw up some guidelines that may be officially accepted and published to deal with political criminals.

This will enable a court to try the current and future cases with the necessary authority and with a legal framework.

Indonesia

Muslims Urge U.S. To Reject Vance Bosnian Plan

BK1002092993 Jakarta ANTARA in English 0825 GMT 10 Feb 93

[Text] Jakarta, Feb 10 (OANA/ANTARA)—The Moslem Solidarity Committee (KSI) here Wednesday called U.S. President Bill Clinton to object a peace plan for Bosnia-Hercegovina formed by cochairmen of the Peace Conference on the former Yugoslavia, Cyrus Vance and Lord Owen. The committee claimed that the peace plan is not fair and harmful to the war-torn country.

According to the press release received by ANTARA, the plan will divide Bosnia-Hercegovina into 10 provinces and each ethnic groups—Bosnian, Serbs, and Croats—will have three provinces, while Sarajevo, the capital of Bosnian is aimed for all.

The commitee, headed by Lukman Harun, believed the plan will legalize the ethnic cleansing policy in the country and abandon the Bosnian refugees who are figured at about a million and now live in various European countries.

It believed that Vance and Owen are on the Serbs' side and always try to make the UN Security Council abandon the plan to launch an offensive to Serbia, despite the fact that a military action is the only move which can stop Serbia's attack on Bosnia. The committee also expressed the hope that Clinton will immediately lift the arms embargo on Bosnia.

Paper Views New U.S. Foreign Policy

BK1002102793 Jakarta KOMPAS in Indonesian 29 Jan 93 p 4

[Editorial: "Fresh air and uncertainty dominate U.S. foreign policy"]

[Text] There were several interesting things spelled out by U.S. Secretary of State Warren Christopher when he addressed a gathering of State Department personnel last Monday. We believe that even though domestic issues remain high in the agenda of President Clinton, the new U.S. president will inevitably have to cope with a number of foreign issues. In fact, several countries are pinning their hopes on the new U.S. Administration.

After the end of the cold war, nobody has said that the United States will adopt an isolationist policy. On the contrary, Secretary of State Christopher even stressed that as a superpower country, the United States would continue to adopt its interventionist policy. This means that the U.S. involvement in the world's political and security issues will continue even though we often hear U.S. leaders' claim that their country does not intend to become the world's police because of financial restraints.

One of the good items of news from Christopher's speech is his support for reform of the United Nations, especially on the permanent membership of the UN Security Council. In this case, he expressed his agreement with the idea of having Japan and Germany as new permanent members of the Security Council.

There have been many major changes since the end of the World War II. The greater political and economic roles played by the two countries have made it hard to exclude them from the world organization responsible for global security.

We also realize that no matter how sensible the idea of increasing the number of UN Security Council permanent members is, it is difficult to imagine that it can be achieved because Britain and France have said that the move will reduce their international authority.

The implication is that if it is hard for Japan and Germany to become new members, it will even be more difficult for Third World countries to join this elite group of the global organization, which has often been accused of being too arrogant and paying too much attention to its own interests.

In view of the existence of a "Pandora's box" element in this issue, to the extent that nobody can predict how things will turn out, the remarks made by Secretary Christopher, despite its rhetorical nature, have given a new hope that a reform of the permanent membership of the UN Security Council may be carried out some day.

As for the Bosnia issue, people may not seriously pay attention to the remarks made by the person who makes the decisions and implements U.S. foreign policy. This is based on the fact that there have been earlier promises to handle the issue, but no real actions have been taken.

It was reported yesterday that Secretary Christopher had requested U.S. officials to prepare a plan for possible air raids against Serbian bases and artillery installations. As for the plan to impose the no-fly zone in Bosnia, as was strictly enforced in Iraq, the plan to attack Serbian positions in Bosnia, or the plan to relax the arms embargo against Bosnia, we still want to see real actions and not just high-sounding statements.

Of course we also notice the fact that the U.S. policy on the Bosnian issue has faced obstacles originating from its own Western allies, namely, Britain and France.

As for the Middle East, it will be a good thing if Secretary Christopher can visit the region at the earliest possible time to meet with all the participants of the peace talks. The momentum toward peace initiated and paved by former Secretary James Baker should not be allowed to fade away.

Meanwhile, the issue of 400 Palestinians deported from the occupied territory is not over and the absence of any new peace initiative will dampen the enthusiasm to hold talks.

As for Iraq, the United States had only given its conditions to Iraqi President Saddam Husayn for a normalization of bilateral relations. We noticed that such a stand caused an uproar in the United States, to the extent that it had to be corrected to read: "It is impossible for the United States to maintain good relations with Iraq as long as Saddam is still in power."

This stand has thrown the prospects of Iraq normalizing its relations with the United States into uncertainty. We are concerned that such a stand will only make Saddam Husayn take actions which may lead to tension, such as deploying its tank divisions along the Kuwaiti border.

As such, it can be said that the U.S. foreign policy against Iraq is rather ambiguous in terms of efforts to reduce tension and normalize relations.

Lastly, the U.S. policy toward Asia has become a subject of discussions among people living in this region. We know that a number of influential policy-makers have urged President Clinton to pay more attention to Asia because the negligence to do so in the past few years has resulted in a declining U.S. influence in this region.

This move is sensible because, according to a report entitled: "America's role in Asia—interests and policies" prepared by the Asia Foundation's Center for Asian Pacific Affairs, the United States has its most crucial interests in the Asia-Pacific region.

The report identifies four important areas for the United States. First, the economic opportunities of Asia, which consists of countries with some of the fastest growing economies in the world.

Second, to maintain regional security and stability, it is imperative for the United States to maintain its military presence in Asia.

Third, Washington must encourage and promote the democratic process in several Asian countries.

Fourth, the report attaches great importance to the bilateral relations between the United States and Japan. If such relations bring about positive results, relations with the remaining nations in Asia will be smooth. If relations with Japan are strained, the U.S. interests in the entire region will be threatened.

As for relations with China, the report pointed to a possible outbreak of confrontation with that country in view of the growing U.S. trade deficit and the two countries' different perceptions of arms sale and human rights.

Before this, we often heard reports that the new U.S. Administration will continue to pay close attention to Asia-Pacific affairs. Therefore, the Asia Foundation's report seems to confirm such reports.

After analyzing the main facets of the U.S. foreign policy under a new adminstration, we notice that its interventionist policy will remain dominant. What is disappointing and problematic is that the implementation of such a foreign policy reflects a sense of injustice because of its double standard nature.

If such an element of interventionist policy continues to exist, with the United States continuing to do whatever it wishes because of its power and influence, it will only reduce that country's credibility and moral support.

Papua New Guinean Premier, Delegation Arrive

BK1002071893 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 10 Feb 93

[Text] Speaking to newsmen after accompanying President Suharto and sending visiting Papua New Guinean prime minister, Paias Wingti, to Wisma Negara [State Guest House] in Jakarta, Minister-State Secretary Murdiono said it was hoped that with the Papua New Guinean Prime Minister Paias Wingti's visit to Indonesia, relations between Indonesia and Papua New Guinea would be further enhanced and simultaneously strengthen South-South cooperation.

Minister Murdiono stated that Papua New Guinea is interested in Indonesian products, which are considered more competitive. Minister Murdiono also said Indonesia will provide greater opportunities to the country because of the interest it has indicated.

The Papua New Guinean delegation, which is led by the prime minister, is comprised of 115 businessmen, 18 parliamentarians, and a number of Cabinet ministers.

Suharto Hosts Banquet

BK1002155093 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 10 Feb 93

[Text] President Suharto has stressed the importance of resolving issues related to the Indonesia-Papua New Guinea [PNG] common border because they may undermine cordial relations between the two countries. Therefore, efforts must be exerted to solve border problems which occasionally arise.

The head of state made the remarks at a banquet in honor of visiting PNG Prime Minister Paias Wingti at Jakarta's State Palace this evening. President Suharto also expressed his satisfaction at the positive development of bilateral relations since the signing of the Mutual Respect, Friendship, and Cooperation Treaty in 1986. The president also noted that he had closely monitored the PNG Government's efforts to carry out its development programs. [passage including recording of Suharto's banquet speech indistinct]

PNG Interested in Oil Production

BK1002160293 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 10 Feb 93

[Text] Papua New Guinea [PNG] is interested in studying Indonesia's oil production-sharing system because that country has a considerable amount of oil deposits. Speaking after he met with visiting PNG Prime Minister Paias Wingti at Jakarta's Wisma Negara [State Guest House] today, Mining and Energy Minister Ginanjar Kartasasmita said the current system adopted by that country was giving more profits to the private oil companies, especially those from Australia, whereas the Indonesian system gave more benefits to the state.

Minister Ginanjar also told the PNG prime minister that with the Indonesian system, profits reaped from oil exploration belong to the state while the private sector receives only 15 percent of the profits. The minister said PNG is interested in studying Indonesia's production-sharing system, especially in liquefied natural gas. A more concrete cooperation plan between the two countries will be discussed by Faisal Abda'u, director of Pertamina state oil corporation, and PNG officials tomorrow.

Suharto Holds Talks With Wingti

BK1102082593 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 11 Feb 93

[Text] Indonesia has offered to train Papua New Guinean farmers. Under such a training program, the farmers will clearly know about ways of developing agriculture in Indonesia. President Suharto made the offer to Papua New Guinean Prime Minister Paias Wingti during their talks at Merdeka Palace this morning.

Briefing reporters on the results of the talks between the two heads of government this afternoon, Minister and State Secretary Murdiono said Prime Minister Paias Wingti was interested in defense and security cooperation. Papua New Guinea is particularly interested in studying the defense and security doctrine of the Armed Forces of the Republic of Indonesia. In this regard, President Suharto stressed that the doctrine based on Pancasila and the 1945 Constitution is a guarantee that Indonesia has no intention at all to become expansionist and thus poses no threat to neighboring countries.

Vice President Meets PRC Trade Delegation

BK1102082393 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 11 Feb 93

[Text] Vice President Sudharmono received Zheng Hongye, chairman of the China Council for the Promotion of International Trade [CCPIT], and his delegation at Merdeka Selatan Palace in Jakarta this afternoon. They were accompanied by Sotion Arjanggi, chairman of the Indonesian Chamber of Commerce and Industry [Kadin], and other Kadin executive members during the meeting.

On the occasion, the vice president gave various proposals on enhancing relations and cooperation between Indonesia and China, particularly in economy and trade. He said Indonesia and China should complement and help each other as part of efforts to promote the welfare of their own peoples. The vice president urged businessmen from the two countries to exchange investments in their respective fields. He also urged Chinese and Indonesian businessmen to set up export bases to export goods to Third World and other countries.

The CCPIT chairman expressed his confidence that Sino-Indonesian economic and trade relations will proceed well because they are mutually advantageous and complementary.

India Signs Agreement on Trade, Industry

BK1102041093 Delhi All India Radio Network in English 0245 GMT 11 Feb 93

[Text] India and Indonesia have agreed to enhance trade and industrial cooperation. The union minister of state for industrial development, Mrs. Krishna Sahi, held discussions with the Indonesian minister for industry, trade, and economic coordination in Jakarta yesterday. Our Southeast Asia correspondent reports that the two sides reviewed the level of trade and joint ventures. Mrs. Sahi impressed upon Indonesia that the economic reforms in India will move forward despite the recent incidents.

Laos

AIPO Delegation Ends Visit, Departs 11 Feb

BK1102083393 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 11 Feb 93

[Text] Yesterday afternoon, the delegation of the ASEAN Interparliamentary Organization [AIPO] led by His Excellency [H.E.] Tan Sri Mohamed Zahir Ismail, its chairman, departed for home after paying a three-day friendship visit to the Lao People's Democratic Republic [LPDR] at the invitation of H.E. Thongsing Thammavong, acting chairman of the Supreme People's Council [SPC] of the LPDR.

Attending the send-off ceremony for the delegation were Thongsing Thammavong and members of the SPC Standing Committee, high-level Lao officials concerned, and ambassadors of the ASEAN countries accredited to Laos.

On the morning of the same day, H.E. Tan Sri Mohamed Zahir Ismail and his party also gave a press conference with Lao media on certain important issues at Lan Xang hotel. They highly praised the success of the visit to the LPDR, saying it is a important contribution to improving and taking into a new and better dimension the relationship and cooperation between the Lao Parliament and the AIPO. With regard to investment in the LPDR by businessmen from the ASEAN countries, some AIPO delegates concerned said that they would try to encourage investors in their respective countries to direct their interest toward this matter by investing in Laos and other countries in Indochina.

At the press conference, the AIPO chairman also noted the success of the friendship visit to Malaysia last year by H.E. Prime Minister Khamtai Siphandon.

Ministry Estimates 1992 Agricultural Production

BK0502123193 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 4 Feb 93

[Text] The Ministry of Agriculture and Forestry has estimated the total 1992 production of agricultural crops nationwide as approximately 244,313 metric tons. They included industrial and cash crops, and various kinds of fruit and vegetable. The outstanding crop was maize, which covers about 28,392 hectares in Hatsaifong District, Vientiane Municipality; Kasi, Vangviang, and Thoulakhom District, Vientiane Province.

In general, the cultivation of industrial and cash crops, fruit trees, and others for business purposes has been carried out at various scales of investment ranging from the family to company levels. Considerable progress has been made in several areas. For example, the Somboun Company promoted maize growing in about 200 hectares in Kasi District, Vientiane Province; the Lao Agricultural Company began a promotion project in about 200 hectares of land in Ban Nong Khon in Phonhong District, Vientiane Province; the Nong KaLeo agricultural project completed growing fruit and general trees on 60 percent of its 144 hectares; a Chinese company in collaboration with a Lao counterpart began a project to grow sugar cane in Luang Namtha Province for sale to China, with an estimated output of about 1,200 tons per year.

Various kinds of vegetable, beans, cucumber, melons, and fruit trees have been grown in several districts of Vientiane Municipality, especially in Hatsaifong District.

Furthermore, the southern provinces have been seen to be actively experimenting growing maize, vegetable, coffee, and cardamon in several areas. The total estimated area nationwide under coffee cultivation is more than 21,500 hectares in 1992. Its total yield has reached 8,188 tons, representing a nine percent increase from 1990. Total green pea production has hit 2,741 tons, an increase of seven percent, while the area under peanut cultivation rose to more than 13,000 hectares, an increase of 98 percent to that in 1990.

Meanwhile, the total production of cotton, sugar cane, tobacco, sesame, and garlic also rose compared to previous years, and are well positioned to become major export goods in the future.

Philippines

Ramos Speaks Prior to Departure for Singapore

HK1102033393 Quezon City Radyo ng Bayan in English 0228 GMT 11 Feb 93

[Speech by President Fidel V. Ramos on his departure for three-day state visit to Singapore, at Ninoy Aquino International Airport, Manila—live, passages within slantlines in Tagalog]

[Text] Senate President Edgardo Angara, Speaker Protempore Raul Daza, Your Excellencies of the Diplomatic Corps, distinguished members of the House of Representatives, fellow workers in government, /my dear countrymen/.

On the invitation of President Wee Kim Wee, I leave today with Mrs. Ramos on a state visit to Singapore. This trip is the third in the series that a new ASEAN head of government traditionally makes to his country's neighbors and partners in the Association of Southeast Asian states.

In my delegation are a number of cabinet members, two senators, two members of the House of Representatives, and one city mayor. This visit, like the others, is meant to strengthen Filipino bonds of solidarity and cooperation with our neighboring peoples. But although symbols and ceremony are important elements in the relations between states, this visit, like those earlier ones to Thailand and Malaysia, will be more than symbolic or ceremonial. This visit will give our two countries the chance to review and renew Philippine-Singapore relations in a changing Asian region and a new global order.

I look forward to having substantive discussions with Prime Minister Goh Chok Tong to assess with him our new political and economic environment; to determine how, with the rest of ASEAN, we can strengthen the stability of Southeast Asia and promote regional economic cooperation. Prime Minister Goh and I shall also be looking at ways to increase the commercial and technological exchanges between the Philippines and Singapore. The strengths, assets, and resources of our two coountries are complementary. We can make up for each other's shortages and benefit from each other's comparative advantages.

My delegation is particularly interested in how we can promote two-way exchanges in science and technology, education, research and, above all, in their commercial and industrial application. In this field too, there is complementariness between our two economies and enormous potential for collaboration.

Most important of all, my delegtation and I shall be telling the political and econmomic leadership of Singapore that we have been able to accomplish here at home such things as reforming the administration, restoring the economy to growth, and improving the investment climate.

We shall be telling them how the Philippines has become a better place for foreign investment, trade, tourism, and economic cooperation. I will manifest to them that in our country, the new name of the game is economic sufficiency and competitiveness and no longer partisan politics. All these are part of our common vision in the Philippines for a secure and economically sufficient nation, to be achieved through the empowerment of our people.

My delegation shall be taking part in a conference on business opportunities, sponsored by Singapore's Trade Development Board. We shall also be meeting with the

Singapore Chinese Chamber of Commerce and Industry to seek new venues for economic interaction and mutual benefit.

Accompanying my official party are captains of industry as well as those who represent the small businessmen. I am confident that our visit will enable them to arrive at collaborative ventures with their counterparts in Singapore and I look forward to meeting with the Filipino community in Singapore. I shall seriously look into how their working conditions can be improved.

On this mission of goodwill and opportunity, we shall, as always, be sustained by your patient support. I take your prayers for our success and safe return. I leave our beloved Philippines briefly for this mission, assured that our country is secure against any threat of whatsoever nature. May the good Lord keep us all safe until we meet again three days from now.

/Thank you. Long live the Philippines./

Ramos Urged To Defend Democracy

HK1102033893 Manila THE MANILA CHRONICLE in English 11 Feb 93 p 4

[Editorial: "The President Should Do a Lee Kuan Yew"]

[Text] President Ramos' official visit to Singapore beginning today promises to revive the debate over whether a struggling nation should have more democracy or more discipline to prosper. Critical remarks made in November by Lee Kuan Yew, architect of Singapore's dramatic rise as the region's economic powerhouse, about the western-style democracy of the Philippines touched off an explosion that reverberates until now. President Ramos had been in office only five months then, and so early there was Mr. Lee delivering what amounted to a repudiation of the avowed democratic proclivities of his administration.

For Singaporeans, who have traded civil rights for the economic prosperity that they enjoy now, democracy is understandably something to be approached with great caution. It is expected that, during Mr. Ramos' visit Singapore, a city-state of fewer than three million people, insecure in its diminutiveness, lacking in natural resources and a veritable racial tinderbox, will make a pitch again for discipline and authoritarianism, something that seems its ritual for driving away the demons gnawing at its soul.

The stage has been set for the Singapore show. Two weeks ago, Singapore hosted an international conference on "Asian and American Perspectives on Capitalism and Democracy." According to our columnist, Joaquin Bernas, a delegate to the conference, "The thesis projected by Singapore was that Singapore was a democracy, and an immensely economically successful one at that, but that democracy must be defined not in Western but in Asian terms." On freedom of the press, the conference featured a high-ranking Singapore official who "categorically made it clear that Singapore has no use for (the) freedom" and cited the Philippines as having the freest press in Asia but being an economic laggard.

The Philippines, of course, is a convenient example of the alleged depredations and anachronism of democracy. Mr. Lee and the rest of Singapore leadership never tire of making that point. Mr. Lee's November remarks were a variation of his private statements and official comments during congresses of his ruling People's Action Party. In the 1990 congress, for instance, Mr. Lee, in closed-door remarks later released to the press, contrasted the cleanness, honesty and fairness of Singapore's politics with the corruption of Philippine politics.

Mr. Lee and his proteges have endlessly argued for "big stick" governance in the name of progress, but have invariably committed reductionist fallacies in upholding autocracy at the cost of civil liberties. They have confined the debate to an either-or maxim. The Singapore experience—and our failed experiment in authoritarianism during the Marcos years—do not prove the superiority of authoritarianism over democracy. It merely proved that any system that delivers the economic goods is assured stability.

Democracy, however, remains the key to assuring a long-term stability. Singapore is slowly realizing this as it grapples with the problem of continuity, a problem spawned by the recent revelation that three of its key leaders, one of them a potential successor to Prime Minister Go Chok Tong, have cancer.

The cumulative effect of the negative comments on the Philippine system by Singaporean leaders will bear heavily on the President's visit. Mr. Ramos, while fostering closer relations and wider ties with Singapore, must not lose sight of his mission as head of state and government of a nation striving to make democracy work in the midst of its more economically prosperous neighbors that have merely taken a token view of it. The President must argue for the viability of the democratic vision of the Philippines.

Paper Views Ramos' Planned Overseas Trips

HK0802104893 Manila THE MANILA CHRONICLE in English 6 Feb 93 p 7

[Report by Manny Mogato]

[Text] President Ramos, upon the invitation of Emperor Akihito, will visit Japan from March 9 to 13 for talks which are expected to focus on regional security issues.

It will be the first of three overseas trips the President will make in an effort to lure more trade and investments and enhance the country's bilateral ties with its traditional allies.

After his five-day state visit to Japan, his fifth trip as Chief Executive, Mr Ramos will also visit China in April, the United States in May, and Indonesia in June.

Malacanang said these trips would emphasize the government's economic diplomacy as the President would attempt to sell the country as a viable investment and tourism site.

Foreign Secretary Roberto Romulo, now in Tokyo, told reporters that Manila was supporting Japanese Prime Minister Kiichi Miyazawa's call for a political and security dialogue among Asia-Pacific nations.

During his talks with Miyazawa and other leaders, Mr Ramos would raise the issue of "comfort women" forced into prostitution by the Japanese Imperial Army during World War II.

The President is expected to propose the setting up of a foundation to provide financial support to surviving "comfort women" as a way for Japan to express its remorse.

On Thursday, Romulo said Japan had expressed regret for the first time about the Filipino "comfort women."

The President yesterday said the official apology extended by the Japanese government to the Filipino victims "will start a healing process."

In Tokyo, Mr Ramos will have an audience with Emperor Akihito and Empress Michiko as well as economic organizations like the Kendairen.

Several joint ventures between Filipino and Japanese business companies are also being finalized for signing during the President's visit.

Among the issues that would be raised during the visit are the plight of Filipino workers, especially Filipina entertainers, who have no working visas.

Regional security issues, bilateral economic cooperation and the inflow of Japanese official development assistance (ODA) will also be raised.

Foreign Secretary To Visit PRC for Trade Talks

HK1002061093 Manila THE MANILA CHRONICLE in English 10 Feb 93 p 9

[Text] Foreign Secretary Roberto Romulo is going on an official visit to China later this month, the latest in a series of trips that allows him to touch base with leaders of regional powers and review the country's bilateral ties with them.

Romulo's trip to China will be from February 17 to 21, barely two months before President Ramos' scheduled state visit to China in late April.

In an interview Romulo said he looked forward to discussions with Beijing on matters of trade and investment and regional security. He was invited by the Chinese foreign ministry.

During his trip, Romulo will also travel to Shanghai, a bustling port south of Beijing. China's economic growth reached 12 percent last year mainly due to its booming southern areas.

Included in the talks between Romulo and Chinese officials is a mechanism to address the trade imbalance with China, an outstanding issue between Manila and Beijing.

In 1988, the Philippines' trade deficit with China hit $170 million where 70 percent of Manila's imports were Chinese crude oil and energy products. The figure dipped to $50 million in 1991.

Other topics of discussion may include the Philippines' hosting of a discussion on marine scientific research in the Spratlys and Chinese investment in Philippine energy projects.

Asked if he would touch on the Spratlys, Romulo said: "Why not? We can tell them about our hosting the informal working group meeting on marine research."

During bilateral consultations last year, Beijing told visiting Filipino officials that China had no "warlike intentions" in the South China Sea.

China has evoked concern among some Filipino officials about its enforcement of sovereignty claims and military modernization program. It has also denied it was reportedly planning to acquire an aircraft carrier.

In last year's consultations, Beijing pledged to take a "second look" at buying more goods from the Philippines to improve the trade balance between the two countries.

Trade Minister: Cut Dependence on U.S., Japan

HK1102024693 Manila BUSINESS WORLD in English 11 Feb 93 p 1

[Text] The country will make an effort to wean itself from its dependence on Japan and the United States as its traditional export markets. Trade Secretary Rizalino S. Navarro yesterday explained that the strategy is for the Philippines to develop access to non-traditional markets even as it continues to strengthen ties with its major trading partners. "To me, the two biggest threats to our export picture are the concentration of almost 50% of our exports in only two countries," said Mr. Navarro.

He was referring to Japan and the U.S., which ate up 35% and 20%, respectively, of the country's exports during the first semester last year. Mr. Navarro also expressed concern over the country's heavy dependence on only two major export products. "The other aspect of the threat is in the two product categories—semiconductors and garments—where, again, the economy derives half of its export earnings," he said.

As of November last year, the country shipped out $8.8 billion worth of exports. Of this figure, semiconductors and garments accounted for $4.3 billion. "(The two commodities) make us too vulnerable to either recessions or adverse economic developments," said Mr. Navarro, adding Government would prefer to see a "more spread [in] our allocation of exports." He added the country would have to develop new "box-office hits" in the export market to survive the "boom-and-bust" cycles in the U.S. and Japan.

As a solution, Government will be adopting a "development diplomacy." This means the departments of Trade and Industry and Foreign Affairs will be focusing on business opportunities in global markets for the country's exporters. This stance is in keeping with the growing global shift from political to economic concerns, reflected in the rise of trading blocs like the North American Free Trade Agreement (NAFTA), the Association of Southeast Asian Nations (ASEAN), and the European Common Market.

Paper Discusses Effective Use of Foreign Aid

HK1002052093 Manila THE MANILA CHRONICLE in English 10 Feb 93 p 4

[Editorial: "Japan Sends A Discreet Signal"]

[Text] One month before President Fidel Ramos visits Tokyo, Japanese officials have called attention anew to what they consider the Philippines' low absorptive capacity for aid. The gesture might be read as a discreet signal, possibly an indication of dropping Japanese aid levels over the near term.

Since 1986, when official development assistance (ODA) to the Philippines increased dramatically as a response to the expulsion of a corrupt regime, we have had difficulty absorbing aid packages. Many factors contribute to that difficulty. Foreign assisted projects are often held up by a slow bureaucracy, long project planning phases, extensive environmental impact assessments, intricate consultations with affected communities and, at times, long legal battles put up by oppositors. Accounting procedures and disbursement schedules of the donor countries and beneficiary governments are not perfectly synchronized. Sometimes development projects become entangled in political play.

The complicated processing of ODA, slow project planning and implementation, strong political lobbies and the poor orchestration of multi-agency efforts often combine into an exasperating bottleneck. That aid bottleneck prevents us from taking full advantage of international generosity and delays the positive effects development projects bring to our economy.

The most important factor limiting our absorptive capacity has been in the aspect of raising the counterpart funding required to set the foreign-assisted projects into motion. Foreign aid is not free. A large portion of the ODA agreed upon in bilateral negotiations involve counterpart funding by the beneficiary government.

Congress, which holds the power of the purse, reviews budgetary allocations for counterpart project funds. While we have automatic allocations to service the debt, foreign-assisted programs do not enjoy the luxury of merely ministerial congressional involvement. Congressional scrutiny adds to the shelf life of many project plans.

Our ability to raise enough counterpart funds has always been problematic. Saddled with tight deficit ceilings, unable to introduce new revenue measures because of political resistance and constantly under pressure to hold down inflation rates, we have lost many potential foreign-assisted projects because of the unavailability of counterpart funding.

Our planners and policy-makers are often caught in an ironic situation: We need the foreign-funded projects to pull up our productivity and raise incomes but we don't have the ready funds to access the offered assistance. The situation is akin to that of an entrepreneur with strong market demand for his product but without the capital to create the products in the first place. It is a frustrating situation.

It is, no doubt, an exasperating one as well for the donor governments.

Government is currently speeding up project implementation and unclogging the bottlenecks. But this is hampered by limited budgetary resources, strong pressure to allocate funds for social services, a heavy debt service load, emergency allocations for relief and rehabilitation of areas hit by calamity, and a small revenue base.

In the meantime, donor governments such as Japan's face increasing pressure to re-allocate aid resources either to countries that are clearly in greater need or countries that have become increasingly important to Japan's strategic foreign policy goals.

As Japan moves to take her place as a major player in world affairs, she will have to spread out her aid resources to an increasingly diverse range of countries from Africa, to Latin America to the former Soviet republics. Tokyo has recently taken steps to expand assistance to China and Russia, two countries of immediate and immense importance to Japan. A controversial peace- keeping operation is now in Cambodia, and Japanese aid technicians are all over mainland Southeast Asia, advance guards for future trade partnerships.

It is inevitable that past aid commitments to countries such as the Philippines will delcine, at least as a proportion of the whole. Poor absorptive capacity provides a convenient excuse for reducing assistance without losing friends.

We cannot argue for present aid levels to be maintained simply on the grounds of need. There is dire need of them elsewhere, too. The best argument is better absorptive capacity.

Official Reports Poor 1992 Economic Results

HK0802060093 Manila PHILIPPINE DAILY INQUIRER in English 6 Feb 93 p 17

[Report by Juan V. Sarmiento Jr.]

[Text] The economy, weighed down by power outages and the government's belt-tightening measures, remained flat last year, a repeat of the dismal 1991 record, Socioeconomic Planning Secretary Cielito Habito said yesterday.

He said the gross domestic product (GDP) for 1992 shrank by 0.04 percent, and that the gross national product (GNP) managed to inch up by only 0.62 percent, mainly because of the remittances from overseas contract workers, according to preliminary figures.

GDP refers to the total value of goods and services produced in the country in a year while GNP is the sum of GDP and income from abroad.

The economy's 1992 performance was hardly an improvement over that of 1991 when the GDP posted a -0.65 percent growth and GNP posted a +0.23 percent growth.

With a population growth higher at 2.2 percent last year, per capita GDP (GDP divided by the population) actually shrank to P11,087 [Philippine pesos] from P11,334 in 1991, and per capita GNP (GNP divided by the population) to P11,317 from P11,494 in 1991.

With the dismal economic performance, Habito was emphatic that the country could no longer afford to keep inflation down at the expense of growth as prescribed in the economic stabilization program by the International Monetary Fund.

He said the National Economic and Development Authority, which he heads, is pushing for increased public works spending by the government to help spark life into the economy.

"We are determined to negotiate for a 4.5 percent growth target and 7.5 percent inflation rate" for 1993, Habito said.

On the other hand, the IMF, from which the Ramos administration is seeking an $800-million facility, is advising the government to target a 2.0 percent inflation rate by year-end, a rate comparable with the country's ASEAN neighbors.

But the 2.0 percent inflation rate target would "choke" the economy, as the past two years had shown, Habito said.

"A very low inflation rate target will result in a significant money supply constriction," he said.

Habito said the Ramos administration was sticking to its target of an average 7.5 percent growth rate from 1993 to 1998.

But that growth rate assumes that the festering power problem would have been solved by September and the peace and order situation vastly improved.

Central Bank Reveals $30-Billion Foreign Debt

HK0902052893 Manila BUSINESS WORLD in English 9 Feb 93 p 5

[Text] The country's total foreign debt totalled $29.828 billion, or roughly P745.7 billion [Philippine pesos], as of last October, declining by only 0.42% from the $29.956-billion liabilities registered at the end of the preceding year.

Based on Central Bank (CB) data released yesterday, the slight reduction was due to various debt-reduction schemes effected by the Government, specifically the debt buyback scheme with the foreign commercial banks completed last July, as well as the dutiful servicing of our debt repayment schedule.

As of last December, the National Government spent P30.634 billion for interest and principal payments of these loans.

However, gains from the debt-restructuring and debt-repayment schemes were quickly offset by additional medium- to long-term loan availments, specifically from the World Bank and Japan's Overseas Economic Cooperation Fund, as well as from adjustments made in the foreign exchange rate fluctuation.

Medium- to long-term maturity loans were reduced to $24.526 billion from $25.129 billion.

As for the short-term loans, $4.992 billion, out of $5.302 billion, was siphoned for import agreements.

The biggest borrower remains the National Government which cornered $19.375 billion or 64.95% of total foreign debt. It was followed by private corporations, whose aggregate loans reached $4.356 billion.

Other borrowers are the Central Bank, with a $4.047-billion debt, and private financial institutions, with $2.048-billion liabilities.

As for the creditors' profile, bilateral loan agreements have the largest share of total debts; followed by loans from foreign banks and other financial institutions, $9.586 billion; and multi-lateral agencies, $7.051 billion.

As of last Dec. 22, domestic debt stock totalled P514.34 billion.

1992 Real Agricultural Output Down Slightly

HK1002064093 Manila BUSINESS WORLD in English 10 Feb 93 p 14

[Text] The agriculture, fishery, and forestry sector contracted by 0.85 percent last 1992 as its gross value added (GVA) declined in real terms to P160.81 billion [Philippine pesos].

In particular, the contraction was brought about by the 41.93 percent decline in the real output of the forestry group. Owing to the selective ban imposed on commercial logging, the group's GVA fell to P3.86 billion last year from P6.64 billion in 1991 and P7.32 billion in 1990.

Meanwhile, the agriculture industry posted a minimal 0.9 percent growth. Agricultural production was measured at P124.69 billion while the real output in the fishery sector was at P32.27 billion.

Constraints

Growth in agriculture was constrained by the drought and reduction in area planted to major crops. In particular, palay [rice] production was down 5.77 percent to P24.33 billion while corn output fell 2.9 percent to P10.26 billion. Production of these groups was largely affected by the Mt. Pinatubo eruption.

The biggest growth was posted by poultry at 10.65 percent to P13.8 billion.

Banana production also posted growth at 3.65 percent to P2.78 billion due to relatively favorable weather and boosted demand abroad.

GVA in Agriculture, Fishery & Forestry In million pesos At constant 1985 prices

Industry/Industry Group	1992	1991	1990
1. Agriculture Industry	156,953	155,553	153,414
A. Agriculture	124,686	123,573	122,631
Palay	24,332	25,821	24,873
Corn	10,261	10,567	10,950
Coconut including copra	6,860	6,782	7,084
Sugarcane	4,022	4,141	3,652
Banana	2,782	2,684	2,698
Other crops	37,292	36,245	36,613
Livestock	17,188	17,043	16,854
Poultry	13,795	12,467	12,215
Agricultural activities and services	6,154	7,823	7,692
B. Fishery	32,267	31,980	30,783
2. Forestry	3,856	6,640	7,320
Gross Value added in Agriculture, Fishery & Forestry	160,809	162,193	160,734

Source: National Statistical Coordination Board

Ramos Orders Charges Against Former PNP Chief

HK1102123693 Manila Manila Broadcasting Company DZRH in Tagalog 1100 GMT 11 Feb 93

[Text] President Fidel Ramos has ordered that formal criminal charges be brought against Cesar Nazareno, dismissed Philippine National Police [PNP] director general, Deputy Director General Manuel Roxas, Fire Marshall Mario Tanchangco, Fire Brigadier General Diosdado Godoy, Senior Superintendent Amid Nakpil and Superintendent Julian Kairan for their alleged involvement in the anomalous purchase of several firetrucks. In a statement made by Malacanang after President Ramos' departure for Singapore, the president also ordered the immediate suspension and relief of the latter four senior PNP officials. The president gave the aforementioned orders after receiving Local Government Secretary Raphael Alunan's report on the anomalous transaction. The chief executive also instructed the ombudsman to launch an investigation into the alleged scam in order to determine whether former Local Government Secretary Luis Santos, Deputy Director General Gerardo Flores, and four others were also involved in the transaction. PNP chief Raul Imperial, in his report to President Ramos, said the government lost 46 million Philippine pesos in the anomalous transaction.

Military Believes MILF Using Smuggled Arms

HK0902133893 Quezon City ABC-DWET Television in Tagalog 1000 GMT 9 Feb 93

[From the "ABC-DWET News Program"]

[Text] The military believes that firearms smuggled into Mindanao last year are now in the hands of the Moro Islamic Liberation Front [MILF]. This was revealed by Brigadier General Jose Lim Nazareno before the Commission of Appointment's [CA] Defense Panel.

Nazareno was confirmed by the CA along with Generals Victor Mayo and Romeo Sarayo. Nazareno is the commander of the 63d Philippine Army Brigade assigned in Maguindanao.

According to Nazareno, the smuggled firearms are being used by the MILF in training teenage recruits at Camp Abu Bakar, located on the border Lanao del Sur and Maguindanao. Although Nazareno confirmed that the firearms were indeed smuggled in from abroad, he failed to ascertain their country of origin. He also said that because of a promise made by the MILF not to interfere in the coming Autonomous Region of Muslim Mindanao elections, it is unlikely that the weapons will be used to disrupt the elections.

[Begin Nazareno recording in English] If we listen to their pronouncements of their leaders, they stated that they will not use the firearms. But to be totally certain about that, that question I cannot answer, your honor. [end recording]

Thailand

Paper: Dalai Lama's Visit 'Correct'

BK1002084093 Bangkok MATICHON in Thai 10 Feb 93 p 8

[Editorial: "International Honor"]

[Text] The decision of the ministers in charge of the Foreign Ministry to allow Nobel peace prize winners, particularly the Dalai Lama, to come to Thailand is correct. In the past the government was concerned that their visits and political conduct would affect and displease the neighboring country. In the case of the Dalai Lama, the previous government declined to allow his visit either to appease China or out of fear of Chinese influence. The previous government's policy of appeasing China as reflected by its refusal to allow the Dalai Lama's visit was a black mark in our international honor.

At first, there was uncertainty whether the Foreign Ministry under the current government would comply with the wish of the Nobel Peace Prize winners to come to Thailand to participate in the campaign to appeal to the Burmese military government to release Aung San Suu Kyi, whom it has detained for several years. The reason for the uncertainty was similar to that in the past—a concern that a neighboring country would be unhappy with Thailand for allowing the Nobel peace prize winners to carry out political, anti-Rangoon activities. In short, Thailand intended to carry out a policy of appeasing Burma.

In any event, it is pleasing that the foreign minister and his deputy have indicated clearly that the Nobel peace laureates would be permitted to come on the grounds that Thailand is a democratic country which allows freedom of travel to its citizens and foreigners, and the people who come have the right to express their opinion as long as their anti-Rangoon action is not excessive. The foreign ministry feels that they should be allowed to come and the Thai Government should not obstruct the exercise of due rights.

By not hindering the visit of the Nobel peace laureates, whose intention is to appeal to the Burmese military government to release Suu Kyi, the Thai government will boost Thailand's image in the international community. The peace prize winners' positions have no connection with the Thai Government, and they are not coming here to round up people to fight the Rangoon government. For this reason, the Thai Government must be open-minded and allow them to express what they feel about the Rangoon government. Regarding the Burmese military government, it should be aware of what the world thinks of its action. It is impossible for any country to shut itself in and refuse to hear from the outside world.

In the past the Thai Government often claimed that it did not want Thailand to be used as a political arena in a way that affected its relations with other countries. Such a claim is too universal and needs to be more specific. Certainly, if people came to Thailand to use it as a base to militarily subvert a neighboring country or threaten that country's security, it would be the duty of the Thai Government to prevent such a serious action. But the democratic Thai Government should willingly permit people to come to its country to peacefully give their appeals because such are the rights of the democratic system.

Spokesman Refutes PRC Warning

BK1102091193 Bangkok ZHONG HUA RIBAO in Chinese 11 Feb 93 p 4

[Text] Thailand yesterday refuted a warning from the Chinese Government. The warning says: We hope that the country concerned will solve the Dalai Lama problem properly by refusing a visit by the Tibetan spiritual leader, the Dalai Lama.

Government Spokesman Aphisit Wetchachiwa told reporters yesteray that the visit had nothing to do with China's internal situation. He said that the Dalai Lama is coming here with a clear mission—to campaign for the release of Burmese opposition leader Aung San Suu Kyi from jail in Burma.

Responding to the question that "the Dalai Lama will visit Thailand. What is the Chinese side's opinion over this issue?", a PRC Foreign Ministry spokesman said in Beijing yesterday that The Dalai Lama is not a purely religious figure. He has been engaging in political acts aimed at splitting the motherland for a long time. We hope that the country concerned will solve this problem properly, that is to refuse the visit by the Dalai Lama."

Meanwhile, Foreign Minister Prasong Sunsiri told reporters at the Foreign Ministry that Thailand has the right to allow any person to visit the country. China should not interfere in this matter.

No Formal Protest From PRC Embassy

BK1102115793 Bangkok XIN ZHONG YUAN RIBAO in Chinese 11 Feb 93 p 16

[Text] Tibetan spiritual leader, the Dalai Lama, and five other Nobel laureates will visit Thailand on 16 February. A Chinese Foreign Ministry spokesman issued a statement yesterday saying that the Dalai Lama is not a purely religious figure. He also warned Thailand against granting an entry visa to the Dalai Lama.

Asked to comment on this issue, Foreign Minister Squadron Leader Prasong Sunsiri said that Thailand had not received any written protest from the Chinese Embassy. The foreign minister also said that the Chinese Government has no reason to prevent the Dalai Lama's entry into Thailand.

Foreign Minister Prasong announced on Sunday that the Dalai Lama will be granted a visa to entry Thailand for a three-day visit.

The Dalai Lama will come to Thailand with other five Nobel laureates to observe the situation in Burma and will campaign for the release of Burmese opposition leader Aung San Suu Kyi, who is under house arrest by the Burmese Government.

Observers noted that the Thai Foreign Ministry's stand on this issue may affect relations between the two countries. Thailand in the past had canceled two planned visits here by the Dalai Lama because of Chinese pressure.

Trade With Saudis 'Steady' Despite Strains

BK0902043793 Bangkok BANGKOK POST in English 9 Feb 93 p 21

[Text] Thailand and Saudi Arabia still enjoy good and steady trade relations, with bilateral trade estimated to be worth more than 20,000 million baht last year, despite the worsening of diplomatic relations.

Diplomatic and labour relations between the two countries have been severely undermined in recent years by the murder of Saudi diplomats in Thailand, the theft of Saudi Royal family jewelry by a Thai worker and the disappearance of a Saudi businessman in Thailand.

Thai exports to Saudi Arabia in 1988 stood at about 9,000 million baht but rose to 9,266 million baht in 1989.

The outbreak of the Gulf war saw Thai exports to Saudi Arabia fall more than a billion baht to 8,244 million baht in 1990. But the figure jumped in 1991 to 11,365 million baht.

And during the first 10 months of last year, Thai exports to Saudi Arabia amounted to 8,223 million baht. The figure for the whole year was expected to be more than 10,000 million baht, as monthly exports were about 800 million baht.

Garments were the most significant Thai export to Saudi Arabia, accounting for almost 30 percent of the total, while minerals, fuel and oil imports from Saudi Arabia totalled more than 7,000 million baht last year, which was about 20 percent of Thailand's total oil imports.

Thailand imported 2,475.4 million litres of oil from Saudi Arabia in 1990.

The imports declined slightly to 2,311.4 million litres in 1991 but climbed to 3,669.1 million litres last year.

Thai Garment Manufacturers' Association President Wirot Amatakunchai said although diplomatic relations had soured, the trade side remained positive.

Saudi Arabia was one of Thailand's top 20 trading partners, Mr Wirot said.

He admitted that diplomatic relations could have an impact on trade, but only a slight one.

The country was a target market for mass-produced cheap garments, he said.

Other major exports to Saudi Arabia were cereals, which were worth 1,166 million baht in 1990 and 969 million baht in 1991, knitted and crocheted clothing, footwear and mechanical equipment.

The hardest-hit sector by the worsening diplomatic relations was labour.

Thai workers used to proudly tell their Saudi colleagues they were Thais. But after the problems, they were reluctant to say where they were from.

Thailand and Saudi Arabia enjoyed good diplomatic relations for more than a decade until Saudi diplomat Salih al-Maliki was gunned down in Bangkok in January 1989.

The relationship worsened when three other Saudi diplomats were killed in two separate shootings on the same day in February 1990, when the 1989 case had still not been solved.

Also in February 1990, a Saudi businessman went missing without trace after leaving his apartment in Bangkok.

He has not been accounted for although Thai officials have tried in vain to find him to mend the deteriorating relations.

It was decided by a House investigative team that he was probably killed and buried in an unknown place.

All three cases were condemned by Saudi Arabia as acts of terrorism. The country demanded that Thailand find the killers and punish them.

Adding fuel to the fire was the theft of millions-of-baht worth of royal jewelry by a Thai worker in 1989. Although the worker was later arrested and prosecuted, some of the jewelry returned to the Saudi Royal family by Thai authorities was fake.

In retaliation for the four cases, Saudi Arabia trimmed down the number of Thai workers which were allowed to enter the country to work.

Saudi Arabia was once a major employment source for Thais, with workers remitting billions of baht to their families in Thailand.

Prior to the murders, more than 60,000 Thais were employed in Saudi Arabia. In 1990, the number of Thai workers declined sharply to a mere 9,970. The Gulf War was a major factor in the dramatic fall.

But when the war ended, the numbers fell further to 5,613 persons in 1991 as a result of Riyadh's ban on issuing new visas to Thai workers following Bangkok's failure to solve the crimes.

The number improved slightly to 8,709 last year, but according to a Labour Department official Thai workers are still refused new visas.

Those still working there were merely on extended visas sought by their Saudi employers, the official sald.

The ban on Thai labour seriously affected remittances to Thailand.

The Bank of Thailand reported that Thai workers in Saudi Arabia sent home 9,220 million baht in 1987, 8,911 million baht in 1988 and 7,873 million baht in 1989.

But only 2,661 million baht was remitted by Thai labourers in Saudi Arabia in 1990, the year of the Gulf War.

The bank said it had no exact figures for the sums remitted by Thai workers in Saudi Arabia in 1991 and 1992 because of changes in the foreign exchange rates.

But it admitted that total remittances from Thai workers in the Middle East in 1991 and 1992 declined to 3,500 and 4,300 million baht respectively.

This showed that the exact figures for remittances from Saudi Arabia in 1991 and 1992 had plunged further. The sector would continue to be hit until all of the cases were solved, the official said.

Saudi Envoy Warns About Delay in Solving Cases

BK1002035193 Hong Kong AFP in English 1004 GMT 9 Feb 93

[Text] BANGKOK, Feb 9 (AFP)—Saudi Arabia still insists that Thai authorities solve the murders of four Saudis here and return jewelry stolen from a member of its royal family, a senior Saudi diplomat said here Tuesday.

Charge d'affaires Muhammad Sa'id Khujah told AFP that Thailand must take responsibility for the cases, and warned that the delay in solving them is causing relations between the two kingdoms to deteriorate further.

Asked if his government would invite Thai deputy Foreign Minister Surin Phitsuwan to visit Saudi Arabia, Khujah described the suggestion as unreasonable if Thai officials do not first solve the cases.

"Why should we invite Thai officials to visit our kingdom if they fail to give us what we need," Khujah said.

The Thai government said last week that Surin would go to Riyadh to strengthen diplomatic ties.

Khujah had earlier said he might recommend to Riyadh that it close its mission in Bangkok, but he did not repeat the threat on Tuesday.

Thai publications recently have carried pictures of Khujah pointing a .357-Magnum pistol and quoted him as saying he does not feel safe in Bangkok.

Four Saudi embassy personnel were shot to death in Bangkok between 1989 and 1990, and in February 1990, Saudi businessman Muhammad al-Ruwayli disappeared here.

Also, a Thai domestic worker in Riyadh stole 20 million dollars in jewelry from a Saudi prince in 1989. Thai police later recovered the loot, but some of the jewelry returned to the owner was found to be fake.

Thai police have said both that they need more time to solve the cases, and that the cases are difficult to solve because so much time has passed.

Angered by the lack of progress in the cases, Saudi Arabia in 1990 stopped issuing visas to Thai workers. Some 150,000 Thais were working there before the ban, and paid million of dollars in remittances to the Thai government.

A parliamentary committee looking into the jewelry theft hopes to visit Riyadh this month to try to patch up relations with the Saudis.

India Proposes Broader Cooperation

BK0902065893 Bangkok Radio Thailand Network in English 0000 GMT 9 Feb 93

[Text] India has proposed to strengthen Thai-Indian economic ties through the expansion of fishing cooperation between the two countries. Deputy director general of the Department of Information, Ministry of Foreign Affairs, Rawi Hongpraphat, says India has informed Thailand that it will send details on economic policy and law of the country to Thailand for consideration. On cultural ties, Lieutenant Rawi says India has proposed more cooperation between Thai and Indian academics (?on) Southeast Asian and Buddhist studies. He says this marks a new step by India to get closer to Southeast Asian countries, especially Thailand. He says India also wishes to cooperate more with Thailand in trade and investment cooperation. India has high potential in telecommunications and computer programming, while it wants technology transfer from Thailand and ASEAN which have been highly successful in economic development.

Bank Moves To Establish Country as Financial Hub

BK1102104793 Bangkok Radio Thailand Network in English 0000 GMT 11 Feb 93

[News in Perspective feature: "Thailand Is Developing Itself into a Regional Financial Center"]

[Text] With trade and tourism emerging as the country's main bloodline in recent years, Thailand realizes her potential as a financial hub of the region. The turn of events, from Hong Kong to Cambodia, also further consolidates this line of thinking. The Bank of Thailand has been working systematically towards this goal. Deregulation has started since many years ago. Many major steps have been taken, and many more are in the pipeline. The baht currency, in the meantime, has become widely accepted in the emerging Indochinese market as a central exchange currency. More efforts will be made to push for wider acceptance of the currency in the entire region, and Asia as a whole. Chintana (Befolk) reports:

[Begin Chintana recording] One of Thailand's long-term objectives is to promote the country is a regional financial center. In this first step towards achieving this goal, the Bank of Thailand started to implement measures to reform and restructure the local financial system a few years ago. The measures aim to enable local financial institutions to improve the operation or efficiency and thus successfully coping with the increased competition from overseas financial institutions.

After the government decided to liberalize foreign exchange dealings in May 1990, the central bank announced a number of relaxations on foreign exchange control. The move was seen as a historic turning point for the Thai financial system that would allow the Thai economy to grow within a stable atmosphere. In another major move towards becoming a regional financial hub, the government, in September last year, announced the establishment of the Bank of International Banking Facilities, or BIBF. Under the scheme, all commercial banks in the country, including foreign bank branches incorporated here, will be allowed to set up offshore banking units. With the BIBF, businesses in this region will have less need to resort to financial centers elsewhere as the BIBF will facilitate international trade and the flow of funds into the region.

The establishment of BIBF has been timely and will benefit Thailand in its position as a gateway to Indochina. This is because BIBF will serve as a channel for investment funds flowing into neighboring countries contributing to the economic reconstruction and development of countries in Indochina. To facilitate investment and trade between Thailand and the Indochinese countries, the Bank of Thailand last year gave permission to banks in Vietnam and countries bordering Thailand to dispatch the baht currency in an amount as they wished from the nonresident baht accounts.

Apart from Indochina, Thailand also planned to expand the role of the baht currency as a regional exchange currency. It has set a target push for the acceptance of the baht currency as a central currency in Asia. The Bank of Thailand believed that the ASEAN Free Trade Area, or AFTA, will help support Thailand's objective to expand the baht currency role. This marks a new step towards developing Thailand as a regional financial center.

Thailand also has some other factors which will help the country achieve its long-term objective. It is located in the area adjacent to Indochina and ASEAN. This ideal geographical location will contribute to the development of the country as a financial hub in the region. Moreover, Thailand has been taking further steps to enable the country to attain international standards.

Regarding international financial activities, local commercial banks have already been highly efficient in foreign exchange services. Since the economic and political stability is important factor for a country to develop itself into a financial center, Thailand is in a good position now. The country has already established strong economic fundamentals while political reform has been underway for a genuine democratic system that will be sustainable and flourishing in the future. [end recording]

Vietnam

Reportage on French President Mitterrand's Visit

Mitterrand Speaks at Banquet 9 Feb

BK1002094593 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 9 Feb 93

["Text" of speech by French President Francois Mitterrand at banquet hosted in his honor by Vietnamese President Le Duc Anh, in Hanoi on 9 February—recorded in French fading into Vietnamese translation]

[Text] Your Excellency the president, ladies and gentlemen: As I said before, mine is the first official visit to

Vietnam by a president of the Republic of France. I found that this visit came in a natural fashion, arising from those long-standing, special relations between France and Vietnam. These relations are well known to the peoples of Southeast Asia and Europe.

Our two nations have known each other for quite a long time and have built up a special relationship, the strength of which is now still clearly felt by us despite the many ordeals. This long-standing relationship was established in the 17th century when Father Alexandre de Rodes, a Catholic priest of the Jesuit Order of the (Alignon) Diocese, latinized the Vietnamese language, giving it an independentt character.

And also in the 19th century, the fates of both France and Vietnam were, at certain stages, blended together. Together we had to share and shoulder that common history during the times of peace as well as during the times of unrest. Many famous Vietnamese personalities visited France, while many famous French people also visited Vietnam. Here, this evening, how can I fail to single out President Ho Chi Minh from among those famous Vietnamese visiting France. I can also recall one of the difficult, tragedy-plagued stages of our common history. And among those present here today, there are also many people who once witnessed or played their parts in those historic moments.

My presence today is to close a page of history and to ask you to open a new page. I think that there is a profound common feeling between our two nations, and this common feeling is waiting for an opportunity to emerge and develop. Today marks the rapproachment of our two nations, which have long-standing traditions. Our two nations are very proud of their identities. Our two nations also know how to enrich themselves with external contributions. It is because of this that this evening I would like to extend to the Vietnamese people the best regards of the French people and I also would like to see these best regards welcomed by you, friends, as a message of fraternality and friendship.

We are well aware of the sufferings endured by the Vietnamese people. We highly respect your irresistible aspirations and desires. And we believe in your ability to cope with any ordeals in the period ahead.

We have seen the many improvements you have achieved, friends, during the process of door-opening in the economic domain. We hope that the progress made in this economic domain will be further expanded in all other fields of activity, both in the spiritual field and in everyday life.

The world is changing. Now that decolonialization has long been settled and the bipolar division of the world has ceased, everywhere there has surfaced a long pent-up desire for freedom. Respect for human rights has become a common demand in the world, the inseparable companion of which is the demand for economic development. As I have time and again pointed out on various continents, development and democracy must always go together.

Dear President, ladies and gentlemen: I am very happy to be here today together with you in Hanoi, the capital of an on-going restructuring Vietnam. It is my wish to bring you, friends, the support from our country for those renovations you have carried out and to bring you the assistance of our experts, notably the on-going assistance in enacting a trade law and a civil code.

We respect your sovereignty. Your people and leaders themselves should express their own choice and aspirations about their country's future. My opnion is that as peace has been restored, stability guaranteed, and progress increasingly visible, this will enable you, friends, to enjoy larger freedom while heading for new liberties.

I also realize that your country has a time-honored religious tradition, especially in regard to Buddhism. You also have a long-standing civilization and a vigorous vitality and have endured numerous hardships and ordeals during the many years of war. On this occasion, I would like to stress that, in compliance with your wishes, France intends to expand cooperation with Vietnam in a concrete and comprehensive fashion.

In 1993, France intends to double its financial aid to Vietnam as we did in 1991 and 1992. We will make more efforts to help Vietnam in the field of training , and we will further perfect our operational systems in Vietnam by providing more scholarships for outstanding Vietnamese students to further their studies in France. The French Development Fund Agency will provide assistance to Vietnam to develop its agriculture and industry. This agency will carry out its activities immediately after the Vietnamese authorities approve its financial and credit operational system. Moreover, French-Vietnamese cooperation in the agricultural and public health domains will be expanded by the state and nonstate sectors. I would like, on this occasion, to commend various French nonstate agencies—the first group who came to Vietnam to observe the situation here—for their efforts in strengthening relations between our two nations. I also feel that France is dutybound to help Vietnam because this, in return, will also benefit France. As a result, I would like to call on various French companies to continue their activities in Vietnam. I would like to say that France has been ranked the third largest investor in this country. I have also encouraged various French industrial corporations to transfer technology to Vietnam. This will help Vietnam to be able to catch up with developments in some regional countries dubbed as the "New Dragons." However, one point of international significance I would like to stress here is that Vietnam should review its relations with the international financial organizations.

In this connection, I would like to say that France advocates the lifting of the embargo against Vietnam, because there is no reason for the maintaining of this embargo. Conflicts between us have ended and we are not struggling against each other any longer. As a result, we should now work together—not only France and Vietnam but also countries sharing the same ideas and interests. In this spirit, we encourage Vietnam to sign a cooperation agreement with the EC, of which France is a member.

I have also taken note of the issues brought to my attention by the SRV President this afternoon, which include your debts, the settlement of due debts, and other difficulties faced by the heroic, diligent, and intelligent Vietnamese people. I should say that your people are still suffering from consequences of the war, and that France should contribute to resolving these issues. The SRV President also talked about the Paris Peace Accord on Cambodia. I understand that Vietnam and France have sincerely contributed to implementing this accord, and I think that we should make more efforts to end the tragedy that has dragged on for more than two decades in this historical nation. We should make more efforts to end the conflicts that have been prolonged for more than 50 years in the Indochinese peninsula. In fact, we have carried out activities to help Vietnam, Laos, and Cambodia to be able to join the ASEAN in the future and we do hope that ASEAN will, at an appropriate time, also admit Burma as a member. We must strive to encourage Southeast Asian nations to group themselves into an organization that can develop their experiences and potentials in the political, economic, and security domains.

France is striving to contribute to developing the EC in a comprehensive fashion. We also talked about the Francophone Community and if Vietnam confirms its intention to host the Summit of the Francophone Countries in 1995, France will do its best to help Vietnam successfully organize this first, very important international conference in your capital of Hanoi. I think that the success of the conference will create very favorable conditions for Vietnam in various aspects. I would like to say that the Vietnamese people's boldness and unyielding character as well as their ability to assimilate into the world community are the factors that will help you to build a real democratic society.

Entering the year of the Rooster—the symbol we have admired for more than two thousand years—which you are celebrating, reminds us of something very familiar. It is the new year of our Vietnamese friends, the spring time in which new meetings between France and Vietnam have been held and friendship restored. These are events that we should toast for the happiness and success of the Vietnamese people.

I would like to assert here the French people's confidence in and friendship for the Vietnamese people.

Excellencies, ladies and gentlemen, I would like to propose a toast to your health and that of your loved ones as well as to the people you represent.

Thank you very much for your attention.

Mitterrand, Nguyen Hold News Conferences

BK1002170093 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 10 Feb 93

[Report by correspondent Diep Anh on individual news conferences by visiting French President Francois Mitterrand and Vietnamese Foreign Minister Nguyen Manh Cam, in Hanoi on 10 February—passages within quotation marks are recorded; Mitterrand remarks recorded in French fading into Vietnamese translation]

[Text] Dear friends, as reported, Francois Mitterrand held a news conference at noon on 10 February on the results of his visit to Vietnam, before leaving Hanoi.

This is one of the news conferences held in Hanoi over the last couple dozens of years in which the greatest number of national and foreign correspondents participated. Included were representatives of many big international mass media agencies, newspapers, and radio and television stations. Vietnamese Foreign Minister Nguyen Manh Cam and French Foreign Minister Roland Dumas were present at the conference.

At the beginning of the news conference, President Mitterrand briefed the newsmen on the results of the first stage of his visit to Hanoi.

President Mitterrand stated: "Ladies and gentlemen, this is the end of the first stage of our Vietnam visit and it is time for us to come here to meet you, the mass media circle, and to talk to you. This is my very brief visit and I will visit Cambodia as well. In Vietnam, the main places of this visit are the capital, Hanoi, and Ho Chi Minh City. This afternoon, we will visit Dien Bien Phu as well.

"The main part of our talks with Vietnam concentrated on how and in what priority can we positively and most actively reconnect the relations between the two countries. Many aspects were considered and we sympathized with the needs of the Vietnamese side and we will try to meet those needs.

"We held discussions and signed seven agreements this morning. Through those agreements and with our presence here, we can start a new policy, and with the time, we will see full effect of the new policy."

After that President Mitterrand spent a major part of his time answering newsmen's questions about the actual contents of the talks between the French and Vietnamese delegations. President Mitterrand clearly affirmed that France always respects Vietnam's sovereignty and that the Vietnamese people and leaders have the right to choose and decide their own work. France cannot substitute and cannot press for any work in Vietnam.

Definitely, in the last 45 years, Vietnam has achieved a lot of progresses, and because of that, France presented its aspirations and expectations in the talks held in Hanoi.

French radio posed the question: You said you came here to turn a new page of history. Therefore, according to you, what are the history and the past? And what do you think about the past with regard to the Vietnamese people?

President Francois Mitterrand answered: "We, the two sides, went through the war as all other wars. [sentence as heard] That was a terrible and violent war. On the Vietnamese side, it was the war for independence. The national factor had a more decisive role than the role of ideology. In my eyes, that war was a mistake and I will always remember it. I used to write on this subject in 1947-1949. But I think now, after more than 40 years have elapsed, we need a reexamination. And France should be the first Western country to come here to manifest the will of arbitration and reconciliation right here. And all of our efforts are towards reconciliation with the former enemy. Why there can be no conciliation among different communities, including a country like Vietnam, a country with which we have had very close relations? We have no other intention and we think this intention is enough."

Another journalist asked: You mentioned that the trade embargo is outmoded. Could you please tell us what influence do you have with U.S. President Bill Clinton and what will you say to him to get the trade embargo lifted?

President Mitterrand repeated that he will further advise Mr. Bill Clinton to lift the trade embargo against Vietnam.

Also on 10 February, after seeing off the French delegation on a visit to Dien Bien Phu and Ho Chi Minh City, SRV Foreign Minister Nguyen Manh Cam held a news conference on the results of French President Mitterrand's official friendship visit to Vietnam. Attending the news conference were a large number of newsmen from news agencies at home and abroad as well as many ambassadors of foreign countries.

Foreign Minister Nguyen Manh Cam briefed newsmen on the results of President Mitterrand's visit to Vietnam as well as the significance of the visit.

He answered many questions of newsmen and said: "As you all know, President Francois Mitterrand is visiting Vietnam for three days. Although the visit is short, it attains a splendid success.

"I can say that, first, the visit is a historical significant event, because it is the first time that a president of the Republic of France and the first chief of state of a Western country is paying an official visit to Vietnam.

"Second, the visit marks a complete reconciliation between the Vietnamese and French peoples. The fact that President Mitterrand visited Dien Bien Phu this afternoon is yet another manifestation of this complete reconciliation.

"Third, the visit not only symbolizes complete reconciliation, but also opens up a new stage in the relations between France and Vietnam. In this new stage, France is ready to provide assistance to Vietnam in the economic, scientific-technological, cultural, and other domains to help Vietnam further develop.

"Morover, this official visit to Vietnam by the French President is of great significance not only to the two nations, but also to other countries in the region. This is because it helps manifest the spirit of reconciliation and the impetus to cooperate for development, which is in conformity with the general trend at present. As a result, although the visit is focussed on the bilateral relations between France and Vietnam, its significance helps promote friendship in the region and the world."

Afterward, a correspondent of the Thai paper BANGKOK POST asked whether Vietnam is more optimistic about the possibility of normalizing relations with the United States following the visit to Vietnam by President Francois Mitterrand.

Foreign Minister Nguyen Manh replied: "As you friends know, President Mitterrand has made clear that he advocates the lifting of the embargo against Vietnam. Concerning the normalization of relations between Vietnam and the United States, I think that it will benefit both countries and business circles as well. It is also in conformity with the general aspiration of the world and public opinion in the two countries. I think that the quicker the normalization of relations between the two countries, the better interest the two peoples will attain. For our part, we have done our best to contribute to the normalization of relations between the two countries. I should say that the ball is now in the U.S. court."

Mitterrand Leaves City 11 Feb

BK1102113793 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 11 Feb 93

[Text] As part of his scheduled visit to Ho Chi Minh city, President Mitterrand and other distinguished French guests paid a visit to the headquarters of the city people's committee this morning, 11 February.

While there the president expressed his joy over his visit to Vietnam. In the case of Ho Chi Minh City in particular, the president was very happy to see the its constant growth.

President Mitterrand expressed the hope that, with this visit, the relations between the two countries would increasingly develop.

On behalf of the administration and people of Ho Chi Minh city, Comrade Truong Tan Sang, acting chairman of the Ho Chi Minh City People's Committee, welcomed President Mitterrand and other distinguished guests. He expressed the gratitude of the city to the Government and people of France for their assistance in the fields of science, public health, and personnel training. He hoped that this assistance would continue.

Leaving the headquarters of the city people's committee, President Mitterrand walked along Nguyen Hue Avenue amid the applause of those people present. Afterward, President Mitterrand visited the Post and Telegraph Office, the Our Lady Cathedral, and the French Consulate General in Ho Chi Minh city.

At 1200 sharp, President Mitterrand left Ho Chi Minh City to travel on to Cambodia.

Seeing President Mitterrand off at the city airport were Comrade Truong Tan Sang and other leading comrades of the city.

Air France, Alcatel Sign Deals

BK1102071993 Hong Kong AFP in English 0733 GMT 10 Feb 93

[Text] Hanoi, Feb 10 (AFP)—Two French companies, Air France and Alcatel, signed business deals Wednesday on the sidelines of French President Francois Mitterrand's visit to Hanoi.

Air France signed a broad cooperation accord making it a "privileged partner" of the Vietnamese national carrier, Vietnam Airlines, the president told a news conference.

Telecommunications firm Alcatel signed a joint-venture accord with Vietnam's Posts and Telecommunications Directorate to manufacture computer chips in Vietnam, he added.

The French and Vietnamese governments signed seven accords during the visit, including a pact ending double taxation of French and Vietnamese nationals.

France also pledged to train more Vietnamese cadres in modern management techniques and to help overhaul Vietnam's legal system, Mitterrand said.

Apart from the signed accords, French and Vietnamese officials agreed that France's economic development fund—the Caisse Centrale du Development—would resume operations in Vietnam, one of Mitterrand's economic aides said.

The fund will provide soft loans primarily for industrial development, said Serge Laffont, calling it potentially the most important economic agreement reached during the visit.

The fund—originally set up to provide economic assistance to France's former colonies—also plans to return to Cambodia and Laos, Laffont said, without specifying the dates.

"We are moving from a basis of grants to a basis of loans," in aiding industrial development in Indochina, he said.

Mitterrand nonetheless announced Tuesday that French aid grants to Vietnam would double to about 65 million dollars in 1993.

France was the third largest foreign investor in Vietnam at the end on 1992, with licenses for projects worth 322 million dollars, primarily in offshore oil exploration, banking and hotels. Four of the eight foreign banks to open offices in Vietnam are French.

Mitterrand, who was to fly to Ho Chi Minh City later Wednesday, said he hoped to see the French oil company Total win the contract to build Vietnam's first oil refinery in the country's south.

Total, Shell, and four Japanese company groups are bidding for the lucrative contract.

French electronics firm Thomson-CSF announced separately that it had landed a contract with Vietnam Airlines to install an air traffic control system at Ho Chi Minh City's Tan Son Nhat airport.

The system, to be operational by 1994, includes seven controller positions, a voice communications control system, and a radar station, the French company said in a statement.

French TV Transmitter Inaugurated

BK1102065593 Hanoi VNA in English 0555 GMT 11 Feb 93

[Text] Hanoi VNA Feb. 11—A ground-satellite television transmitter, aid from the French Government worth 3 million French francs installed at the Vietnam Television station in Hanoi, was inaugurated yesterday.

Director General and Editor-in-Chief of the Vietnam Television Pham Khac Lam and French Minister of State in Charge of Francophony and External Cultural Relations Ms Catherine Tasca, who is visiting Vietnam, cut the inaugural ribbon.

The transmitter will help Vietnam Television in improving the quality of broadcasts and extending the area of its coverage.

Premier Speaks to Congress of Overseas Vietnamese

BK0902041093 Hanoi Voice of Vietnam in English 1000 GMT 8 Feb 93

[Text] The 1993 Spring Congress of Overseas Vietnamese has been opened in Ho Chi Minh City by the Premier's Office. Among the participants are representatives from the Foreign Ministry, the Central Commission for Overseas Vietnamese, and more than 100 delegates representing Vietnamese residents and intellectuals living abroad.

Addressing the conference, Premier Vo Van Kiet told participants about the present situation in Vietnam, the renovation process and socio-economic building which are aimed at making people prosperous.

The premier's speech won high applause from the participants. He promised the party and state will do everything to create conditions for them to contribute their part in national construction.

The Vietnamese nationals come from 24 countries. They have come home to say what they think may help improve communications between the home country and overseas Vietnamese. As well, they will be asked what the government should do to better protect their interests in their resident countries.

The 120 overseas nationals include industrialists, business people, intellectuals, religious leaders and artists.

Mr Nguyen Ngoc Chuan, head of the Central Commission for Overseas Vietnamese said they will do their best to help promote national unity.

Meets HCMC Industrialists

BK0902114193 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 8 Feb 93

[Text] On 7 February, Prime Minister Vo Van Kiet met more than 30 managers and management directors of Ho Chi Minh City [HCMC] nonstate economic units in Thong Nhat Hall to exchange information on the business and production situation in our country. Attending the meeting were Le Xuan Trinh, minister of Government Office; Nguyen Van Hanh, chairman of the Ho Chi Minh City Fatherland Front; and representatives of related government ministries.

The prime minister started the meeting by saying that in 1992, our country scored very important achievements in the implementation of socioeconomic targets, thus creating new opportunities for further economic development. The achievements were gained by the common efforts of the entire country, including the significant contribution of state and nonstate entrepreneurs. On behalf of the government, he thanked the entrepreneurs of the entire country in general, and Ho Chi Minh City in particular, for this very meaningful contribution.

Then Mr. Nguyen Van Tu, first vice chairman of the Ho Chi Minh City Industrialists Association delivered a speech, expressing the joy of the city industrialists regarding major issues in the government's program of action. He said that these issue are meeting the industrialists' aspirations. These aspirations are the efforts to create a favorable environment and conditions for investment, promulgation of national investment law, tax exemption when profits are reinvested in production, equality treatment in loan grants, and so forth. He confirmed that, although the national situation is still permeated with difficulties, the city industrialists totally believe that the current situation is offering more opportunities and everybody must positively take part in moving the country forward.

Prime Minister Vo Van Kiet stated that government will continue with its uniform policy of multisectoral economy and it will create favorable conditions so that everybody and all nonstate economic units can freely conduct their business according to the law. He expressed his hope that the nonstate economy will develop much more in 1993. He also urged the entrepreneurs to contribute their views in the building of the national investment law, make best use of the capital capacity of government and relatives living overseas to further expand their production units and service, output more products with high quality for national consumption and export, and strictly observe the government's policy. He hoped that in the near future, Vietnam will have many big entrepreneurs comparable with those of other countries. The existence of entrepreneurs not only carries significant meaning in the national economy, but also in the political meaning of our country's renovation path.

Workers Strike at ROK Joint Venture

BK0902050193 Hong Kong AFP in English 0634 GMT 8 Feb 93

[Text] Hanoi, Feb 8 (AFP)—More than 600 workers went on strike at a South Korean-run joint venture factory in Ho Chi Minh City in a dispute over pay, working hours, and alleged mistreatment by their South Korean supervisors, the SAIGON GIAI PHONG (LIBERATED SAIGON) newspaper reported Monday.

The strike Saturday at the Ree Young Co. was the second and by far the larger reported by the state-controlled press since Vietnam opened its doors to foreign capitalists in 1988. The previous incident, at a Taiwan-backed shoemaking firm in December, involved 17 workers.

Local authorities promptly intervened to mediate the strike at Ree Young Co., a bag-manufacturing joint venture between Boyoung Co. of South Korea and Ho Chi Minh City's Industrial Services Dept., the daily said.

"After listening to the workers, city authorities asked the company's board of directors to seriously implement the policies of the state of Vietnam" regarding labor conditions, the daily said.

Workers' wages should be raised to the required 35 dollars per month minimum, overtime should be done with the workers' agreement and not exceed 150 hours per year, work contracts should be signed, and unions should be allowed, they recommended.

In addition, "the South Korean specialists should apologize to the workers for their rude acts toward them," the authorities said.

A number of conflicts between Vietnamese workers and their South Korean or Taiwan managers have been reported over the past year, with language problems and radically different management styles often contributing.

But the state-controlled press has not reported a strike at a Vietnamese company since 1975, when the country was reunified under communist rule and work actions were ruled unnecessary.

The right to strike is a controversial point in proposed trade union laws to be submitted to the National Assembly this year.

Canadian-Vietnamese Investor Jailed

BK0502113293 Hong Kong AFP in English 0832 GMT 5 Feb 93

[Text] Hanoi, Feb 5 (AFP)—A Canadian of Vietnamese origin has become the first foreign investor jailed in Vietnam since the open-door economic policy began five years ago, a Ho Chi Minh City newspaper seen here Friday reported.

But the THANH NIEN weekly said that Vimar Nguyen's arrest on tax evasion charges was "unnecessary and undue," and suggested that it resulted from run-ins with a corrupt but powerful Kanh Hoa Province official.

The paper said that Nguyen's joint venture partner, Vu Hung Luong, had repeatedly appropriated the Canadian's money to bail out his own debt-ridden provincial company.

Luong was later sentenced to 10 years in jail for corruption, it said.

Nguyen alleged that provincial inspectors looking into the dispute and tax authorities had asked for sizable bribes. When he refused, he was hit with a tax bill that the paper called "arbitrary, unrealistic, and imposing."

Local authorities confiscated Nguyen's passport more than one year ago, making it impossible for him to leave the country, Thanh Nien said.

The Canadian Embassy office in Hanoi said that it was following Nguyen's case, but noted that Vietnam does not recognize dual nationality.

NHAN DAN Interviews Agriculture Minister

BK0602143793 Hanoi VNA in English 1418 GMT 6 Jan 93

[Text] Hanoi VNA February 6—In an interview granted to the national daily NHAN DAN, Minister of Agriculture and Food Industry Nguyen Cong Tan said that Vietnam would continue in 1993 developing the commodity agriculture in line with the market mechanism, to ensure the whole society's demand in food, raw materials for industrial production and export and to generate more jobs in order to raise the farmers' living standard and build a new life in the countryside. After recalling the target of 24.5 million tonnes of food in 1993 the minister laid stress on the need to develop and modernize the processing industry, the key measure to increase the value and effectiveness of agriculture. With regard to measures to boost agricultural production, Minister Nguyen Cong Tan said: "Pending approval of the amendments to the land law by the National Assembly the provinces should step up land allotment for stable and long-term use, granting of land-use certificates to farmers and settlement of land disputes....

"The household economy in rural areas should be encouraged....The cooperative economy shall continue to be renovated. In general, the existing agricultural cooperatives should change their function to become essentially service units with the aim of supplementing and supporting the development of the household economy. In the time to come, the state will promulgate policies to grant loans to farmers in order to raise the proportion of loan-receiving families from 20 percent at present to 40-50 percent this year and thereafter devote part of the credits lo making loans to poor families at reasonable interest rates and with simpler procedures in order to eliminate usury in the countryside. Along with increasing the purchasing capacity on the domestic market, it is necessary to find out stable and long-term markets for the export of farm produce, with higher, quality, lower cost price and higher competitiveness".

Diplomatic Relations Established With Qatar

BK0902081993 Hanoi VNA in English 0631 GMT 9 Feb 93

[Text] Hanoi VNA Feb. 9—Vietnam and the State of Qatar established diplomatic relations as of Feb. 8, announced a joint communique signed by Vietnamese Ambassador Bui Hong (?and by) Qatari Ambassador Ahmad 'Abdallah al-Khal in Bonn, the Federal Republic of Germany, on Monday.

The communique said: "Desirous to strengthen and develop friendly and cooperative relations between the two countries, the Governments of the Socialist Republic of Vietnam and the state of Qatar decided to establish diplomatic relations at ambassadorial level between the two countries as of Feb. 8, 1993."

'Considerable' Advances Noted in Public Health

BK0902080593 Hanoi VNA in English 0629 GMT 9 Feb 93

[Text] Hanoi VNA Feb. 9—1992 marked a considerable stride in community health care in Vietnam through the implementation of 13 country and inter-branch programmes, most important of which are the programmes for the control of social diseases such as malaria, goiter, cholera and dengue fever. The mortality rate of malignant malaria dropped by 40.6 percent compared [sentence incomplete as received] One-year-old children were vaccinated under the Expanded Immunization Programme (EID). The success of the programmes for the

Control of Diarrhea Disease (CDD) and Acute Respiratory Infections (ARI) among children was highly appreciated by the United Nations Children's Fund (UNICEF) in its new year meassage.

In particular, also last year 413 scientific and technical research projects, 114 of which received cooperation from foreign countries, were successfully applied to medical examination, diagnosis, and treatment. Also in 1992, the public health service deployed a new form of health activity, the mobile medical teams. Though newly created, these teams have achieved inspiring results in the anti-malaria programme conducted in the four central highland provinces and Nghe An and Ha Tinh Provinces in central Vietnam, as shown in a dramatic drop of the malaria sufferer. Besides, the medical service has initiatied a new organisation of community health care through the creation of inter-village and inter-hamlet medical network, especially in remote or mountain areas. This has met the need of on-spot handling treatment of emergency cases and preventing the spread of communicable diseases right after their detection. However, so far such medical groups have been set up only in 12 districts in south Vietnam.

The implementation of the family planning programme in 1992 gained new results in the application of contraceptive measures including non-surgery sterilisation for both men and women.

In terms of medical practice, the most notable successes included four kidney transplants, 817 heart operations, and the successful treatment of 3,972 cases of liver and kidney trouble by means of laser, ultrasound, and X-ray and the prevention and treatment of cerebral hemorrhages by multilayer scanning. Also in 1992, the state began implementing the medical insurance policy, first among public employees. The policy will be step by step made complete in 1993 for general application to the whole society in the years to come.